

OFFICIAL STATEMENT

1  
Contra Costa County.

2  
Sanitation District No. 7-A

Contra Costa County, California

\$9,200,000

Sewer Revenue Bonds, Series A

[Stone & Youngberg III]  
Bonds -- CA -- CC Co.  
CC Co. -- Economic cards.  
Sewage disp plants -- CA --  
CC Co. -- Finance  
CC Co. -- Sewerage

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Bids to be received by a representative of the Board of Directors up to 10:00 A.M., Tuesday, April 24, 1979 at the offices of Stone & Youngberg Municipal Financing Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111.

*MSO*





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CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A  
Contra Costa County, California

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Eric H. Hasseltine, *Chairman*  
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Joseph L. De Torres, *Director*

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Jack D. Cabral, *Administrative and Finance Services Officer*  
John B. Clausen, *County Counsel*  
Victor J. Westman, *Assistant County Counsel*  
Alfred P. Lomeli, *Contra Costa County Treasurer-Tax Collector*

PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, *San Francisco, California*  
BOND COUNSEL

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco, California*  
FINANCING CONSULTANTS

CDM/KKA Consultants, *Walnut Creek, California*  
CONSULTING ENGINEERS

Wells Fargo Bank N.A., *San Francisco, California*  
FISCAL AGENT

Chemical Bank, *New York, New York*

Continental Illinois National Bank and Trust Company of Chicago, *Chicago, Illinois*  
PAYING AGENTS

The information contained in this Official Statement was prepared under the direction of Contra Costa County Sanitation District No. 7-A by Stone & Youngberg Municipal Financing Consultants, Inc., financing consultants to the District.

All of the following summaries of the statutes, charter, codes, resolutions and project reports are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

The Official Statement contains estimates and matters of opinion which are not intended as representations of fact. All estimates, statements and assumptions in this Official Statement have been made on the best information available, and are believed to be reliable and correct, but no representation whatsoever is made that such estimates, statements and assumptions are correct or will be realized. This Official Statement is not to be construed as a contract with the purchasers of the bonds.

**THE DATE OF THIS OFFICIAL STATEMENT IS APRIL 3, 1979**



79 00991

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$9,200,000 principal amount of Contra Costa County Sanitation District No. 7-A Sewer Revenue Bonds, Series A, the "Bonds," proposed to be issued by the Contra Costa County Sanitation District No. 7-A, the "District."

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The agreements of the District with the purchasers of the Bonds are set forth in Resolution No. 4/79 of the Board of Directors of the District providing for the issuance of District Sewer Revenue Bonds (General Resolution), and Resolution No. 5/79 of the Board of Directors of the District providing for the issuance of the Series A Bonds (First Supplemental Resolution). These documents will be available to any prospective investor in the Bonds. Reference is hereby made to these documents for a complete statement of the rights and obligations of the District and holders of the Bonds.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The District will deliver to the purchaser of the Bonds a certificate of the Chairman of the Board of Directors and District Manager/Engineer dated the date of bond delivery, stating that as of the date hereof, to the best of the knowledge and belief of said officials, the Official Statement does not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 200 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's engagement in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the section entitled, "The Bonds."

Dated April 3, 1979

CONTRA COSTA COUNTY SANITATION  
DISTRICT NO. 7-A

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# CONTENTS

<b>Introduction</b> .....	1	<b>City of Antioch</b> .....	31
<b>The Bonds</b> .....	3	Municipal Government .....	31
Authority for Issuance .....	3	Commerce .....	32
Terms of Sale .....	3	Construction .....	32
Description of the Bonds .....	3	<b>City of Pittsburg</b> .....	33
Redemption Provisions .....	4	Municipal Government .....	33
Notice of Redemption .....	4	Commerce .....	34
Fiscal Agent .....	4	Construction .....	34
Registration .....	4	<b>Contra Costa County</b> .....	35
Legal Opinion .....	4	County Government .....	35
Tax Exempt Status .....	4	Population .....	35
Other Closing Documents .....	4	Industry .....	36
Purpose of Issue .....	5	Taxable Transactions .....	36
Security .....	5	Agriculture .....	36
Creation of Special Funds and Accounts ...	5	<b>District Financial Data</b> .....	37
Application of Bond Proceeds .....	5	Assessed Valuation .....	37
Application of Revenues .....	6	Constitutional Amendment (Proposition 13) ..	37
Investment of Moneys in Funds and Accounts	7	Tax Rates .....	38
Additional Bonds .....	8	Tax Levies and Delinquencies .....	40
Maintenance of Fees and Charges .....	8	Largest Taxpayers .....	40
Insurance Coverages .....	9	District Records .....	40
Eminent Domain .....	9	District Funds .....	41
Additional Covenants .....	9	Fund Balances .....	41
Additional Provisions .....	10	Revenues and Expenditures .....	43
Estimated Annual Debt Service .....	10	Debt Statement .....	44
<b>The 1979 Project</b> .....	12		
Initial Planning Study .....	12		
Governmental Structure .....	12		
Governing Body and Staff .....	12		
Proposed 1979 Project Facilities .....	13		
1979 Project Construction Schedule .....	14		
1979 Project Cost Estimates .....	16		
Sources of Funds .....	16		
Summary of Costs and Sources of Funds ...	19		
Financing Plan and Annual Revenue Pro-	19		
gram .....	19		
Estimated Revenues, Expenditures, and Sewer	21		
Revenue Bond Service Coverage .....	21		
Estimated Sewer Service Charge Rates ....	23		
<b>Economy of the District</b> .....	25		
Population .....	25		
1975 Special Census .....	25		
Housing .....	25		
Employment .....	27		
Industry .....	27		
Transportation .....	29		
Utilities .....	29		
Financial Institutions .....	29		
Education .....	29		
Community Facilities and Recreation .....	30		
		<b>T A B L E S</b>	
		Table 1. Schedule of Maturities .....	3
		Table 2. Creation of Special Funds and	
		Accounts .....	6
		Table 3. Estimated Annual Debt Service ...	11
		Table 4. 1979 Project Costs, Estimated	
		Grants, and Funding Sources for	
		District Costs .....	20
		Table 5. 1979 Project Estimated Revenues,	
		Expenditures and Sewer Revenue	
		Bond Service Coverage .....	22
		Table 6. 1978/79 Assessed Valuation (Land	
		and Improvements Only) .....	37
		Table 7. 1978/79 Assessed Valuation of all	
		Property Within District .....	38
		Table 8. Tax Rate Area 7013 Tax Rates ..	39
		Table 9. Summary of Revenues and Expen-	
		ditures 1973/74-1977/78 .....	43
		Table 10. Statement of Direct and Estimated	
		Overlapping Bonded Debt .....	44





Contra Costa County Sanitation District No. 7-A, located approximately 30 miles northeast of San Francisco and 22 miles northeast of Oakland, serves the Cities of Antioch and Pittsburg and the unincorporated area generally designated as West Pittsburg.



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# INTRODUCTION

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**Project Identification.** In 1970 the California State Water Resources Control Board adopted a policy of encouraging public sewerage agencies to plan water pollution control facilities and wastewater management programs on a subregional basis. At that time East/Central Contra Costa County was delineated as a subregional wastewater management planning area.

The 1977 East/Central Contra Costa County Wastewater Management Study recommended the construction of a new subregional wastewater conveyance and treatment project to serve the Cities of Antioch and Pittsburg and Contra Costa County Sanitation District No. 7-A (West Pittsburg). The City Councils of Antioch and Pittsburg and the Board of Directors of Contra Costa County Sanitation District No. 7-A agreed that the practical way to proceed with the construction, management, and operation of the recommended project would involve the annexation of the Cities of Antioch and Pittsburg Contra Costa County Sanitation District No. 7-A. These annexations were accomplished in October 1976.

**Sewer Revenue Bond Authorization.** At an election held within the District on November 8, 1977, voters authorized the issuance of \$9,200,000 of sewer revenue bonds by a vote of 8,330 to 1,410 (84.6 percent) for purposes of acquiring and constructing the recommended subregional project, herein referred to as the "1979 Project."

**1979 Project Costs and Sources of Funds.** The total cost of the 1979 Project is estimated at approximately \$47,035,500. The tabulation above shows the sources and amounts of funds which will be used to finance the 1979 Project.

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Sources of Funds	Estimated Amount
Federal and State Grants . . . . .	\$37,253,110
Bond Proceeds and Investment Income	6,869,450
District Funds Expended Through 1977/78 and Budgeted Through 1978/79 . . . . .	2,500,000
Future District Funds① . . . . .	412,939
Total . . . . .	\$47,035,499

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① Certain 1979 Project elements are eligible for additional Federal Innovative/Alternative (I/A) grant funds. District staff and consulting engineers estimate additional Federal I/A grant funds for which the District is eligible at a minimum of \$495,000. Receipt of Federal I/A grant funds in this estimated amount would satisfy the District's estimated need for future funds.

Source: District Manager/Engineer.

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**1979 Project Construction.** The 1979 Project will require the award of 10 construction contracts. Facilities now under construction and scheduled for completion in May 1979 are represented by two contracts awarded in 1978. In February 1979, firm bids were received on an additional six contracts. The aggregate cost of the two contracts awarded plus the six contracts for which bids have been received (\$33,976,797) represent over 90 percent of the 1979 Project's estimated total construction costs (\$37,616,797). The District plans to receive bids for the remaining two contracts in July 1979.

Contractors are required to furnish faithful performance and 100 percent labor and materials bonds plus defective material and workmanship bonds for a 12-month warranty period in an amount equal to 10 percent of the construction price established at the conclusion of construction. Contractors are also required to maintain workmens compensation insurance; fire and extended coverage insurance; and public liability, property damage, and vehicle liability insurance.

Completion of construction of the 1979 Project is scheduled for June 1981 and it is anticipated that the 1979 Project will be operational on or about July 1, 1981 (fiscal year 1981/82).

**Application of Bond Proceeds.** Series A Bond proceeds will be applied to: (1) fund interest on the



Bonds through November 1, 1981; (2) establish the Bond Reserve Account in an amount equal to maximum annual debt service; and (3) acquire and construct the 1979 Project.

**Application of Revenues.** Revenues are to be applied to various accounts in the following order of priority: (a) Interest Account; (2) Principal Account; (3) Bond Reserve Account; (4) Maintenance and Operation Account; and Surplus Account.

**Revenue Program.** As a condition for accepting Federal and State grants, the District is required to adopt a revenue program that includes a system of sewer service charges which will produce sufficient revenues to pay annual costs of operations and maintenance, sewer revenue bond service and other capital-related costs, and replacements to preserve the functional value of 1979 Project facilities.

The City Councils of Antioch and Pittsburg have adopted Resolutions declaring their Cities' intentions to implement the 1979 Project as follows:

(1) For the fiscal year 1979/80, it is the Cities' intention to continue to levy, collect, and remit to the District service charges at a level approximate to those levied in 1978/79;

(2) Between July 1, 1980 and June 30, 1981 (fiscal year 1980/81), the District will implement a procedure whereby it will bill and collect charges in the Cities for sewer service. In fiscal year 1980/81 it is anticipated that the Cities' sewage treatment plants will be temporarily operated by the District to enable the implementation of such sewer service charges and the transition of operating personnel from the Cities to the District for training on subregional treatment plant operations and other administrative and start-up advantages.

(3) The District will commence full operation of the 1979 Project in fiscal year 1981/82 and charge its users for related operation, maintenance, and capital costs.

(4) The Cities will cooperate fully with the District in implementing this program by making available to the District all records of sewer service user connections and any other appropriate data necessary or convenient to assist the District in the timely establishment and implementation of its sewer service charge collection program.

The District has been further advised by the Cities of Antioch and Pittsburg that it is their intent to

enter into a signed agreement with the District before the April 24, 1979 sale date of the Bonds regarding the allocation of 1979 Project facility capacities and the allocation of annual revenue requirements of the 1979 Project.

**Sewer Revenue Bond Service Coverage.** The District, pursuant to Resolution No. 4/79 providing for the issuance of Sewer Revenue Bonds of the District, pledges that it will establish and maintain rates and charges for sewer service so as to produce Net Revenues equal to at least 1.25 times annual debt service on the Bonds.

Table 5 on page 22 (1979 Project Estimated Revenues, Expenditures, and Sewer Revenue Bond Service Coverage) indicates that during the first three years of operation of the 1979 Project (1981/82 through 1983/84), estimated net revenues from sewer service charges, will provide Sewer Revenue Bond Service coverage ratios ranging from 1.31 in 1981/82 to 1.28 in 1983/84. These coverage ratios exclude allowances for annual connection fee revenues, estimated at \$500,000 annually, that may be collected by the District and reserved for future additions to, and betterments of, the 1979 Project.

**District Service Area.** The District's service area covers about 25 square miles in northeastern Contra Costa County and includes the City of Antioch, the City of Pittsburg, and the unincorporated communities of West Pittsburg, Shore Acres, Nichols and other unincorporated areas.

The District's present population is estimated at 78,000. Since 1970, approximately 10,800 new housing units have been built in the Cities of Antioch and Pittsburg.

The District lies along the heavily industrialized north shore of Contra Costa County, fronting on the San Joaquin River and deepwater channels leading to San Francisco Bay and the Golden Gate. The general area is recognized as the center of heavy industry in Northern California. Two of Pacific Gas and Electric Company's largest generating plants are situated adjacent to District boundaries. Three railroads serve the District, and there is convenient access to three interstate highways. The larger industrial employers within or adjacent to the District include; U.S. Steel Corp., Crown Zellerbach Corporation, E.I. du Pont de Nemours & Co., Louisiana Pacific-Fibreboard, Dow Chemical Co., Johns-Manville Corp., and Continental Can Co., Inc.



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# THE BONDS

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## Authority for Issuance

At an election held within the Contra Costa County Sanitation District No. 7-A on November 8, 1977, voters authorized the issuance of \$9,200,000 of sewer revenue bonds by a vote of 8,330 to 1,410 (84.6%).

The Contra Costa County Sanitation District No. 7-A Sewer Revenue Bonds, Series A, hereinafter referred to as the "Bonds", represent the initial series and total amount of said authorization. The Bonds are being issued pursuant to and in conformity with:

(1) The Revenue Bond Law of 1941, Title 5, Division 2, Part 1, Chapter 6 (Sections 54300 *et seq.*) of the Government Code of the State of California;

(2) Resolution No. 4/79, A Resolution of the Board of Directors of Contra Costa County Sanitation District No. 7-A Providing for the Issuance of Contra Costa County Sanitation District No. 7-A Sewer Revenue Bonds (General Resolution); and

(3) Resolution No. 5/79, A Resolution of the Board of Directors of Contra Costa County Sanitation District No. 7-A Providing for the Issuance and Prescribing the Terms, Conditions and Form of \$9,200,000 Principal Amount of Contra Costa County Sanitation District No. 7-A Sewer Revenue Bonds, Series A (First Supplemental Resolution).

A copy of Resolution No. 4/79 and Resolution No. 5/79 accompanies the distribution of this Official Statement.

## Terms of Sale

Bids for the purchase of the Bonds will be received by a representative of the Board of Directors up to 10:00 a.m., Tuesday, April 24, 1979 at the offices of Stone & Youngberg Municipal Financing

Consultants, Inc., Suite 2750, One California Street, San Francisco, California 94111.

It is expected that the bids will be referred to the District's Board of Directors for action in the afternoon of the same day. Details of the terms of sale are set forth in the Official Notice of Sale adopted by the District on April 3, 1979, a copy of which accompanies the distribution of this Official Statement.

## Description of the Bonds

The Bonds will be dated May 1, 1979 and will be issued as coupon bonds in the denomination of \$5,000 each, numbered consecutively upwards from 1 in order of maturity. The Bonds will mature serially on November 1 in each of the years and in the amounts shown in Table 1, Schedule of Maturities.

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**Table 1**  
**Schedule of Maturities**

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Maturity Date November 1	Principal Amount	Maturity Date November 1	Principal Amount
1982 ...	\$175,000	1993 ...	\$390,000
1983 ...	190,000	1994 ...	420,000
1984 ...	205,000	1995 ...	450,000
1985 ...	220,000	1996 ...	485,000
1986 ...	235,000	1997 ...	520,000
1987 ...	255,000	1998 ...	560,000
1988 ...	275,000	1999 ...	605,000
1989 ...	295,000	2000 ...	650,000
1990 ...	315,000	2001 ...	695,000
1991 ...	335,000	2002 ...	750,000
1992 ...	360,000	2003 ...	815,000

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Interest on the Bonds, not to exceed 8 percent per annum, will be payable semiannually beginning on November 1, 1979 and on May 1 and November 1 thereafter.

Principal of and interest on the Bonds will be payable at the principal office of Wells Fargo Bank, N.A., the Fiscal Agent of the District in San Francisco, California, or at the holder's option at the principal office of Chemical Bank in New York, New York, or at the office of the Continental Illinois National Bank and Trust Company of Chicago in Chicago, Illinois.



## Redemption Provisions

Bonds maturing on or before November 1, 1996, a total principal amount of \$4,605,000, are not subject to call or redemption prior to their fixed maturity dates. Bonds maturing on or after November 1, 1997, a total principal amount of \$4,595,000, are subject to call and redemption prior to their fixed maturity dates, at the option of the District, as a whole or in part in inverse order of maturity (and by lot within any one maturity), on November 1, 1989, or on any interest payment date thereafter, upon payment of a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, plus a premium equal to the sum of (a) one-quarter of one percent ( $\frac{1}{4}$  of 1%) of such principal amount, plus (b) one-quarter of one percent ( $\frac{1}{4}$  of 1%) of such principal amount for each year or fraction of a year from the redemption date to the maturity date of the Bonds. The maximum premium payable upon call of the Bonds for redemption on or after November 1, 1989 would be 3.75 percent.

## Notice of Redemption

Notice of redemption is to be published, once a week for two successive weeks, in a financial newspaper or journal of general circulation, in San Francisco, California and in the same or similar financial newspapers or journals of general circulation in New York, New York, and in Chicago, Illinois. The first publication must be not less than 30 days nor more than 60 days prior to the redemption date. The Fiscal Agent is required to give written notice to the owners of any registered Bonds and to the original purchaser of the Bonds.

## Fiscal Agent

Wells Fargo Bank, N.A. in San Francisco, California has been appointed as the District's Fiscal Agent in connection with the Bonds. The Fiscal Agent is authorized and directed to maintain the Interest Account, the Principal Account, and the Bond Reserve Account and to pay interest on and principal of all Bonds when due. Resolution No. 4/79 requires that certain notices, certificates, and reports be filed with the Fiscal Agent to demonstrate compliance with the Resolution and for such purposes as the issuance of additional bonds.

## Registration

The Bonds will be issued as coupon bonds and will be registrable only as to both principal and interest, with the privilege of deregistration and conversion into coupon bonds at the owner's expense.

## Legal Opinion

All proceedings in connection with the issuance of the Bonds are subject to the approval of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel for the District. The unqualified opinion of Orrick, Herrington, Rowley & Sutcliffe attesting to the validity of the Bonds will be supplied free of charge to the original purchaser of the Bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each Bond without charge to the successful bidder.

The statements of law and legal conclusions set forth in this Official Statement under the heading "The Bonds" have been reviewed by Bond Counsel. Bond Counsel's engagement is limited to a review of the legal procedures required for the authorization of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation (see the following section entitled "Tax Exempt Status"). The opinion of Bond Counsel will not consider or extend to any documents, agreements, representations, offering circulars or other material of any kind, concerning the Bonds, including this Official Statement, not mentioned in this paragraph.

## Tax Exempt Status

In the opinion of bond counsel, the interest on the Bonds is exempt from all present Federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions, and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

## Other Closing Documents

In addition to the opinion of Bond Counsel and the certificate of District officials concerning this Official Statement, the District will, at the time of delivery of the Bonds, furnish the purchaser the following documents, all to be dated as of the date of delivery:



1. **Arbitrage Certificate.** A certificate of the Administrative and Finance Services Officer of the District that, on the basis of the facts and circumstances in effect at the time of delivery of the Bonds, it is not expected that the proceeds of the Bonds will be used in a manner that will cause the Bonds to be arbitrage bonds.

2. **No Litigation Certificate.** A certificate of appropriate District officials that there is no litigation pending affecting the validity of the Bonds.

3. **Signature Certificates.** Certificates of the respective District officials showing that they have signed the Bonds by manual or facsimile signature, and that they were duly authorized to execute the same.

4. **Receipt of Treasurer.** The receipt of the Treasurer of Contra Costa County showing that the purchase price of the Bonds, including accrued interest to the date of delivery has been received by the District.

## Purpose of Issue

Proceeds from the sale of the Bonds will be used to finance the District's share of the cost of constructing Federal and State grant-aided subregional wastewater conveyance and treatment facilities to provide secondary treatment of wastewater as detailed in the section of this Official Statement entitled "The 1979 Project".

## Security

The Bonds to be issued pursuant to Resolution No. 4/79 are equally secured by an exclusive pledge and charge upon all Revenues of the Enterprise (the 1979 Project) and other funds as provided in Resolution No. 4/79.

The term "Enterprise" means the subregional wastewater conveyance system and treatment facilities to provide secondary treatment and disposal of wastewater to be acquired and constructed with proceeds of the Bonds and all additions, betterments, extensions, and improvements to such facilities or any part thereof hereafter acquired or constructed.

The term "Revenues" means all gross income and revenue received or receivable by the District from the ownership and operation of the Enterprise, calculated in accordance with generally accepted accounting principles, including all rates, fees and

charges received by the District for sewer service and all other income and revenue howsoever derived by the District from the Enterprise or arising from the Enterprise, and including all money required by any provisions of Resolution No. 4/79 to be deposited in the Revenue Fund, but excluding refundable deposits made to establish credit and advances or contributions in aid of construction and connection fees and annexation charges and other payments of a similar nature.

The term "Net Revenues" means, for any period, all of the Revenues received during such period less all of the Maintenance and Operation Costs of the Enterprise during such period.

The interest on, principal of, and redemption premiums on the Bonds are payable solely from the Revenues and other funds as provided in Resolution No. 4/79 of the District and the District is not obligated to pay them except from the Revenues and such other funds. The general fund of the District is not liable, and the full faith and credit of the District is not pledged, for the payment of the interest on or principal of the Bonds or the redemption premiums, if any. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the District or any of its income or receipts, except the Revenues and such other funds.

## Creation of Special Funds and Accounts

Resolution No. 4/79 provides for the establishment of special funds and accounts to be held and administered by either the Fiscal Agent or the Treasurer of Contra Costa County, the Treasurer of the District. These funds and accounts will be employed in connection with the Enterprise as shown in Table 2.

## Application of Bond Proceeds

Resolution No. 5/79 provides that proceeds from the sale and delivery of the Bonds are to be applied as follows:

**Interest Account.** A sum equal to the amount of interest becoming due and accruing on the Bonds through November 1, 1981 is to be deposited by the Fiscal Agent into the Interest Account.

**Bond Reserve Account.** An amount sufficient to establish a balance equal to maximum aggregate



Table 2

**CONTRA COSTA COUNTY SANITATION DISTRICT NO 7-A  
SEWER REVENUE BONDS, SERIES A**

**Creation of Special Funds and Accounts**

**Resolutions No. 4/79 and No. 5/79**

Fund or Account	Source(s)	Use
Series A Bond Fund [Resolution No. 5/79 Section 3.01(c)] (Maintained by Treasurer after initial transfers to the Interest and Bond Reserve Accounts which are maintained by the Fiscal Agent)	Bond Proceeds	Construction, balance to Revenue Fund
Revenue Fund [Resolution No. 4/79, Section 5.01] (Held by Treasurer)	All Enterprise Revenues	Transfers in order of priority to Interest, Principal, Bond Reserve, Maintenance and Operation, and Surplus Accounts
Interest Account [Resolution No. 4/79, Section 5.03(1)] (Held by Fiscal Agent)	Bond Proceeds and Revenue Fund	Bond Interest
Principal Account [Resolution No. 4/79, Section 5.03(2)] (Held by Fiscal Agent)	Revenue Fund	Bond Principal
Bond Reserve Account [Resolution No. 4/79, Section 5.03(3)] (Held by Fiscal Agent)	Bond Proceeds and Revenue Fund	Bond Principal and Interest
Maintenance and Operation Account [Resolution No. 4/79, Section 5.03(4)] (Held by Treasurer)	Revenue Fund	Maintenance and Operation of Enterprise
Surplus Account [Resolution No. 4/79, Section 5.03(5)] (Held by Treasurer)	Revenue Fund	Any authorized purpose after all other Accounts have been paid in accordance with the Resolution

annual debt service on the Bonds is to be deposited by the Fiscal Agent into the Bond Reserve Account.

**Series A Bond Fund.** The Fiscal Agent shall transfer the remainder of such proceeds to the Treasurer who shall deposit such proceeds in the Series A Bond Fund for the purpose of paying the costs of the acquisition and construction of the 1979 Project. Any balance remaining in the Series A Bond Fund after the acquisition and construction of the 1979 Project will be deposited by the Treasurer in the Revenue Fund.

### Application of Revenues

The District covenants that all Revenues, when and as received, will be deposited by the District with the Treasurer in the Revenue Fund for ap-

plication, pursuant to Section 5.03 of Resolution 4/79, in the following order of priority:

**Interest Account.** On or before the fifteenth day of each January, April, July, and October, beginning in January, 1982, the Treasurer shall deposit with the Fiscal Agent in the Interest Account an amount equal to one-half of the aggregate amount of interest becoming due and payable on all outstanding Bonds on the next succeeding interest payment date. No deposit need be made if the amount contained in the Interest Account is at least equal to the interest payable on all outstanding Bonds on the next succeeding interest payment date. Moneys in the Interest Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the interest on the Bonds as it shall become due and payable, includ-



ing accrued interest on any Bonds purchased or redeemed prior to maturity.

**Principal Account.** On or before the fifteenth day of each January, April, July, and October, beginning in January, 1982, the Treasurer shall deposit with the Fiscal Agent an amount equal to one-quarter of the aggregate yearly amount of principal becoming due and payable on all outstanding Bonds on the next succeeding November 1.

No deposit need be made into the Principal Account if the amount therein is sufficient to pay the principal of all Bonds maturing on the next succeeding November 1.

Moneys in the Principal Account shall be used and withdrawn by the Fiscal Agent solely for the purpose of paying the principal of the Bonds as they shall become due and payable.

**Bond Reserve Account.** On or before the fifteenth day of each January, April, July, and October, beginning in January, 1982, the Treasurer shall deposit with the Fiscal Agent such amount as shall be required to restore the Bond Reserve Account to a balance equal to maximum aggregate annual debt service on all outstanding Bonds. If on any November 1, beginning in November, 1982, the balance in the Bond Reserve Account exceeds maximum aggregate annual debt service on all outstanding Bonds, the Fiscal Agent shall pay such excess balance to the Treasurer for deposit in the Surplus Account. All moneys in the Bond Reserve Account are to be used by the Fiscal Agent solely for replenishing any deficiency in the Interest Account or Principal Account or the payment of principal and interest and redemption premiums on the Bonds in the event no other moneys are available.

**Maintenance and Operation Account.** On or before the fifteenth day of each January, April, July, and October, beginning as soon as the Enterprise becomes revenue-producing, the Treasurer shall deposit in the Maintenance and Operation Account a sum at least equal to the amount required by the District for payment of budgeted maintenance and operation costs of the Enterprise during the three-month period beginning with the first day of such month. Moneys in this Account shall be used only to pay budgeted maintenance and operation costs of the Enterprise as they become due and payable.

**Surplus Account.** All moneys remaining in the Revenue Fund on November 1 of each year after depositing all sums required to be deposited to the Interest, Principal, Bond Reserve, and Maintenance and Operation Accounts, shall be deposited into the Surplus Account. Moneys in the Surplus Account shall be used to eliminate any deficiency in any of the Accounts established by Section 5.03(1), (2), (3), and (4) of Resolution No. 4/79 in such order. Moneys remaining after the elimination of any deficiency in said accounts may be used by the District at any time to pay maintenance and operation costs of the Enterprise, or to pay costs of replacements or renewals of facilities of the Enterprise, or to pay costs of acquisition and construction of any additions, betterments, extensions or improvements to the Enterprise, or to make any required repayments of state or federal grants received for the Enterprise.

On the October 31 following each such November 1 deposit into the Surplus Account, any balance remaining therein shall be withdrawn and deposited in the District's General Fund for expenditure for any lawful purpose of the District.

## **Investment of Moneys in Funds and Accounts**

Moneys in the Interest and Principal Accounts, may, and at the direction of the District shall, be invested by the Fiscal Agent in Federal Securities maturing prior to the date on which such moneys are required to be paid out pursuant to Resolution No. 4/79.

Moneys in the Bond Reserve Account may, and at the direction of the District shall, be invested by the Fiscal Agent in Federal Securities maturing not more than five years from the date of purchase by the Fiscal Agent.

Moneys in the Revenue Fund and the Maintenance and Operation Account may, and at the direction of the District shall, be invested by the Treasurer in Federal Securities maturing prior to the date on which such moneys are required to be paid out pursuant to Resolution 4/79.

Moneys in the Surplus Account may, and at the direction of the District shall, be invested by the Treasurer in any lawful investment.

All interest received on any moneys shall be deposited in the Revenue Fund, except that all interest



on any moneys that is received prior to the Enterprise becoming revenue-producing shall be deposited in the Series A Bond Fund.

## **Additional Bonds**

Article II of Resolution No. 4/79 provides that Additional Bonds may be issued on a parity with the Sewer Revenue Bonds, Series A provided the following requirements are met:

(a) The District shall be in compliance with all covenants of Resolution No. 4/79 and all supplemental resolutions theretofore adopted by the Board of Directors, and a certificate of the District to that effect shall have been filed with the Fiscal Agent.

(b) The issuance of Additional Bonds shall have been duly authorized pursuant to law and the issuance of the Additional Bonds shall have been provided by a Supplemental Resolution adopted by the Board of Directors.

(c) Proceeds of Additional Bonds are to be applied solely for the purpose of making improvements or additions to the Enterprise or for refunding any outstanding Bonds.

(d) Additional Bonds must mature only on November 1 of any year and interest after the first year shall be payable semiannually on May 1 and November 1 of each year. Provisions must be made through serial maturities or minimum sinking fund payments for retirement of Additional Bonds on or before their respective maturity dates.

(e) An additional amount is to be deposited and maintained in the Bond Reserve Account so that its balance will be equal to the maximum aggregate annual debt service on all outstanding Bonds and the Additional Bonds.

(f) Net revenues for the last fiscal year preceding adoption of a supplemental resolution, as certified by an independent public accountant, must have been equal to at least 1.25 times maximum aggregate annual debt service on all outstanding Bonds and the Additional Bonds.

In determining Net Revenues for the purpose of issuing Additional Bonds, the District may add to actual Net Revenues for the preceding year the following provided they are certified as required: (1) 75 percent of the estimated additional average annual Net Revenues to be derived from any improvements and additions completed, or to be financed by

the Additional Bonds or other Bonds previously issued, during the first three years after completion of the improvements and (2) 75 percent of the amount by which Net Revenues would have been increased if any increases in fees and charges which have been adopted had been in effect for the entire fiscal year.

To the extent that Additional Bonds are issued to refund outstanding Bonds, the debt service on the Bonds to be refunded is to be excluded from the computation above.

## **Maintenance of Fees and Charges**

The District covenants that so long as any of the Bonds are outstanding it will fix, prescribe, and collect fees and charges in connection with the sewer service provided by the Enterprise so as to yield Revenues sufficient to pay the following amounts in the following order of priority:

(1) Interest and principal of and redemption premiums, if any, on the Bonds as they become due and payable,

(2) All Maintenance and Operation Costs of the Enterprise,

(3) All payments required to comply with the terms of Resolution No. 4/79 and all Supplemental Resolutions providing for the issuance of Additional Bonds, and

(4) All payments to meet any other obligations of the District which are charges, liens, encumbrances upon, and payable from the Revenues.

In addition, the District covenants that while any of the Bonds remain outstanding, rates, fees and charges in connection with the sewer service provided by the Enterprise will be fixed, prescribed, and collected so as to yield Net Revenues during the then immediately ensuing twelve-month period equal to at least 1.25 times the aggregate annual debt service for such period.

Table 5 on page 22 (1979 Project Estimated Revenues, Expenditures, and Sewer Revenue Bond Service Coverage) indicates that during the first three years of operation of the 1979 Project (1981/82 through 1983/84), estimated net revenues from sewer service charges, will provide Sewer Revenue Bond Service coverage ratios ranging from 1.31 in 1981/82 to 1.28 in 1983/84. These coverage ratios exclude allowances for annual connection fee revenues that may be collected by the District and reserved for future additions to, and betterments of, the 1979 Project.



## **Insurance Coverages**

The District will procure and maintain at all times while any of the Bonds are outstanding insurance on the Enterprise against such risks (including accident to or destruction of the Enterprise) as are usually insurable in connection with similar enterprises. Such insurance shall be adequate in amount and as to the risks insured against, or in an amount at least sufficient to enable the District to retire all Outstanding Bonds. In the event of any damage to or destruction of the Enterprise caused by the perils covered by such insurance, the proceeds of such insurance may be applied to the repair or reconstruction or other improvement of the Enterprise. Alternatively, if the proceeds of such insurance are sufficient to enable the District to retire all Outstanding Bonds, the District may elect not to repair, reconstruct or replace the damaged or destroyed portion of the Enterprise. In this event, such proceeds shall be deposited with the Fiscal Agent to redeem or purchase all Outstanding Bonds.

The District will procure and maintain adequate fidelity insurance or bonds on all officers and employees of the District handling or responsible for any Revenues or funds of the Enterprise in an aggregate amount at least equal to the maximum amount of such Revenues or funds at any one time in the custody of all such officers and employees.

The District will procure and obtain a policy of title insurance from a recognized title insurance company insuring the District for the full cost of acquisition of any real property acquired in fee simple comprising any portion of the Enterprise, excluding any improvements thereon.

The District will procure and maintain public liability insurance covering claims against the District for bodily injury or death, or damage to property occasioned by reason of the ownership or operation of the Enterprise, such insurance to afford protection in such amounts and against such risks as are usually covered in connection with similar enterprises; provided that such insurance may be effected under a legal self-insurance program.

The District will procure and maintain workers' compensation insurance against liability for compensation under the Workers' Compensation Insurance and Safety Act of California, or any act hereafter enacted as an amendment or supplement or in lieu thereof, such insurance to cover all persons employed in connection with the Enterprise; provided

that such insurance may be effected under a legal self-insurance program.

## **Eminent Domain**

If all or any part of the Enterprise shall be taken by eminent domain proceedings, the net proceeds therefrom shall be deposited with the Fiscal Agent and applied to the cost of acquiring or constructing additions, betterments, extensions, or improvements to the Enterprise provided the Fiscal Agent determines on the basis of a certificate of a qualified independent engineer that the additional Revenues resulting from such additions, betterments, extensions, or improvements will sufficiently offset the loss of Revenues resulting from such eminent domain proceedings so that the ability of the District to meet its obligations under Resolution No. 4/79 will not be substantially impaired. Any balance of such proceeds not required by the District for the aforesaid purposes shall be deposited in the Revenue Fund and applied as provided in Section 5.03 of Resolution No. 4/79.

If the foregoing conditions are not met, such proceeds shall be applied by the Fiscal Agent pro rata to the redemption or purchase of Bonds then outstanding in the proportion which the principal amount of the outstanding Bonds of each series bears to the aggregate principal amount of all Bonds then outstanding.

## **Additional Covenants**

Additional covenants contained in Resolution No. 4/79 include the following:

(1) The District will punctually pay or cause to be paid the principal and interest to become due in respect of all Bonds, in strict conformity with the terms of Resolution No. 4/79 and all supplemental resolutions.

(2) The District will not sell, lease or otherwise dispose of any part of the Enterprise that is essential to the proper operation of the Enterprise or to the maintenance of Net Revenues, except property which has worn out, become nonoperative, or is not needed for the efficient and proper operation of the Enterprise.

(3) The District will maintain the Enterprise in good repair and working order at all times from the Revenues available for such purposes and will operate the Enterprise in an efficient and economical manner.



(4) The District will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien upon the Revenues or otherwise impair the security of the Bonds.

(5) The District will preserve and protect the security of the Bonds and the rights of the bondholders, and will warrant and defend their rights against all claims and demands of all persons.

(6) The District will keep proper books of records and accounts of all transactions relating to the Enterprise. Such books will at all times be subject to inspection by the Fiscal Agent or holders of not less than ten percent of the principal amount of the Bonds then outstanding.

(7) The District will prepare and file with the Fiscal Agent annually within 150 days after the close of each Fiscal Year (commencing with the Fiscal Year ending June 30, 1982) so long as any of the Bonds are outstanding:

(a) An audited statement (prepared in accordance with generally accepted accounting principles) of the preceding fiscal year showing the Revenues, all disbursements from the Revenues and all expenditures applicable to the Enterprise.

(b) A detailed balance sheet reflecting the financial condition of the Enterprise, including the balances in all funds held by the Treasurer and the Fiscal Agent.

(c) A certificate or opinion in writing indicating the manner and extent to which the District has complied with the provisions of Resolution No. 4/79.

(d) A statement as to all insurance carried on the Enterprise by the District as of the end of such fiscal year.

(8) The District will prepare annually a summary statement in reasonable detail showing the amount of the Revenues and the disbursements from the Revenues for the preceding fiscal year, and a general statement of the financial and physical condition of the Enterprise. The District will furnish a copy of the summary statement to any bondholder upon request, and will furnish to the Fiscal Agent copies for distribution to holders of Bonds requesting copies.

### **Additional Provisions**

Any bondholder has the right by mandamus or other appropriate remedy to compel the performance by the District and any of its officers of the duties imposed under the Revenue Bond Law of 1941 and the agreements with the bondholders as provided in Resolution No. 4/79.

Resolution No. 4/79 may be modified or amended only with the consent of holders of 60% of all Bonds then outstanding, but no such modification or amendment shall extend the maturity, reduce the interest rate or principal amount payable, or reduce the percentage of consent required for amendment without the express consent of the affected bondholders.

### **Estimated Annual Debt Service**

Table 3 on page 11 shows estimated annual debt service on the \$9,200,000 principal amount of Sewer Revenue Bonds, Series A currently being offered for purchase, based on an estimated interest rate of 7.5 percent.



Table 3

## CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A

## \$9,200,000 Sewer Revenue Bonds, Series A

## Estimated Annual Debt Service

Year Ending November 1	Principal Amount Outstanding	Interest Estimated @ 7.5 Percent Payable		Principal Payable November 1	Total Estimated Debt Service
		May 1	November 1		
1979 .....	\$9,200,000	—	\$345,000.00 <sup>①</sup>	—	\$345,000 <sup>①</sup>
1980 .....	9,200,000	\$345,000.00 <sup>①</sup>	345,000.00 <sup>①</sup>	—	690,000 <sup>①</sup>
1981 .....	9,200,000	345,000.00 <sup>①</sup>	345,000.00 <sup>①</sup>	—	690,000 <sup>①</sup>
1982 .....	9,200,000	345,000.00	345,000.00	\$175,000	865,000
1983 .....	9,025,000	338,437.50	338,437.50	190,000	866,875
1984 .....	8,835,000	331,312.50	331,312.50	205,000	867,625
1985 .....	8,630,000	323,625.00	323,625.00	220,000	867,250
1986 .....	8,410,000	315,375.00	315,375.00	235,000	865,750
1987 .....	8,175,000	306,562.50	306,562.50	255,000	868,125
1988 .....	7,920,000	297,000.00	297,000.00	275,000	869,000
1989 .....	7,645,000	286,687.50	286,687.50	295,000	868,375
1990 .....	7,350,000	275,625.00	275,625.00	315,000	866,250
1991 .....	7,035,000	263,812.50	263,812.50	335,000	862,625
1992 .....	6,700,000	251,250.00	251,250.00	360,000	862,500
1993 .....	6,340,000	237,750.00	237,750.00	390,000	865,500
1994 .....	5,950,000	223,125.00	223,125.00	420,000	866,250
1995 .....	5,530,000	207,375.00	207,375.00	450,000	864,750
1996 .....	5,080,000	190,500.00	190,500.00	485,000	866,000
1997 .....	4,595,000	172,312.50	172,312.50	520,000 <sup>②</sup>	864,625
1998 .....	4,075,000	152,812.50	152,812.50	560,000 <sup>②</sup>	865,625
1999 .....	3,515,000	131,812.50	131,812.50	605,000 <sup>②</sup>	868,625
2000 .....	2,910,000	109,125.00	109,125.00	650,000 <sup>②</sup>	868,250
2001 .....	2,260,000	84,750.00	84,750.00	695,000 <sup>②</sup>	864,500
2002 .....	1,565,000	58,687.50	58,687.50	750,000 <sup>②</sup>	867,375
2003 .....	815,000	30,562.50	30,562.50	815,000 <sup>②</sup>	876,125 <sup>③</sup>

① Interest funded from bond proceeds.

② Callable on or after November 1, 1989.

③ Estimated maximum annual debt service.



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# THE 1979 PROJECT

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## Initial Planning Study

In 1970, the California State Water Resources Control Board and the State's several Regional Water Quality Control Boards adopted a policy of encouraging public sewerage agencies to plan water pollution control facilities and wastewater management programs on a subregional basis. At that time a number of discrete subregional wastewater management planning areas were delineated, one of which included East/Central Contra Costa County.

On June 24, 1974, the Cities of Antioch, Pittsburg and Brentwood; the Byron, Mountain View and Oakley Sanitary Districts; the Contra Costa County Water District; and Contra Costa County [representing Contra Costa County Sanitation Districts, No. 5 (Port Costa), No. 7-A (West Pittsburg), No. 7-B (Concord Naval Weapons Depot), No. 15 (Bethel Island), and No. 19 (Discovery Bay)] entered into a joint exercise of powers agreement for the creation of the East/Central Contra Costa County Wastewater Management Agency.

On February 4, 1975 the Agency contracted with CDM/KKA Consultants a joint venture of CDM Inc., Environmental Engineers of Walnut Creek and Pasadena, California (subsidiary of Camp Dresser & McKee Inc. with world headquarters in Boston, Massachusetts), and Koretsky King Associates, Richmond, California, to formulate a wastewater management program and facilities plan for East/Central Contra Costa County. The resulting report, *East/Central Contra Costa County Wastewater Management Study* was submitted to the Agency on January 28, 1977.

## Governmental Structure

Separate sewage collection and treatment facilities are presently operated and maintained by the Contra Costa County Department of Public Works under contract to Contra Costa County Sanitation District No. 7-A (West Pittsburg), the City of Antioch, and the City of Pittsburg.

As work on the *East/Central Contra Costa County Wastewater Management Study* neared completion, the subregional wastewater conveyance and treatment project identified as Industrial Shore Subregional Facilities, hereafter referred to as the "1979 Project", was recommended to serve the Cities of Antioch and Pittsburg and Contra Costa County Sanitation District No. 7-A (West Pittsburg).

The City Councils of Antioch and Pittsburg and the Governing Board of Contra Costa County Sanitation District No. 7-A agreed that the practical way to proceed with construction, management, and operation of the proposed 1979 Project would involve the annexation of the Cities of Antioch and Pittsburg to Contra Costa County Sanitation District No. 7-A. These annexations were accomplished in October 1976. Additionally, three zones were established to facilitate the allocation of 1979 Project capital, maintenance, and operation costs. The District's three zones are: Zone 1 (West Pittsburg); Zone 2 (City of Pittsburg); and Zone 3 (City of Antioch).

Contra Costa County Sanitation District No. 7-A, the "District", operates pursuant to Sections 4700 et seq. of the California Health and Safety Code. Among other things, the District is empowered to acquire, construct, and operate sewage collection, treatment, and disposal works within and/or outside the district; to enter into contracts with other public entities for the joint acquisition or construction of sewerage facilities; and to collect fees and charges for facilities and services. A county sanitation district may also construct, operate, and maintain works necessary to conserve and put to beneficial use any water or sewage effluent recovered from the operation of its sanitary sewerage system. Revenue bonds may be issued by a county sanitation district for the construction of sewerage facilities.

## Governing Body and Staff

The District's Board of Directors consists of three members: (1) a member of the Contra Costa County Board of Supervisors; (2) the Mayor of the City of Antioch; and (3) the Mayor of the City of Pittsburg.

*Eric H. Hasseltine, Chairman.* Mr. Hasseltine was elected to the Contra Costa County Board of Supervisors in 1976. He represents the Fifth Supervisorial District which includes the Cities of Antioch and Pittsburg. Currently, he serves as Chairman of the Board of Supervisors.

Mr. Hasseltine holds Bachelor and Masters degrees from Massachusetts Institute of Technology and a Ph.D. in Engineering from the University of California at Berkeley. Prior to his election to the Board of Supervisors, he was employed as a systems analyst by Sandia Laboratories in Livermore, California.

In addition to his positions on the Board of Supervisors and the District's Board of Directors, Mr. Hasseltine serves in other capacities including: Chairman, Contra Costa County Local Agency Formation Commission; Chairman, Contra Costa County Solid Waste Commission; Chairman, East Bay Emergency Medical Services Joint Powers Governing Board; Vice Chairman, Alameda-Contra Costa County Health Systems Agency; Vice Chairman, Health and Welfare Committee of the County Supervisors Association of California; and Director, Bay Area Air Quality Management District.

*Verne L. Roberts, Vice Chairman.* Mr. Roberts was elected Mayor of the City of Antioch in 1976 for a four-year term of office. He previously served on the City Council of the City of Antioch from 1960 to 1972. During this period he was elected by the City Council to serve as Mayor in 1962 and 1968.

Mr. Roberts retired in 1978 after 22 years of employment at E. I. du Pont de Nemours & Co. in Antioch. In 1948 he was a member of the Antioch City Planning Commission and the Antioch Recreation Commission. From 1968 to 1972 he served as Chairman, Contra Costa County Local Agency Formation Commission. He presently serves as: representative of the Contra Costa County Mayors Conference to the Bay Area Quality Management District; President of the East Bay Division of the League of California Cities Committee on Environmental Quality; and member, Contra Costa County Solid Waste Commission.

*Joseph L. DeTorres, Director.* Mr. DeTorres was elected to the City Council of the City of Pittsburg in 1976. He was elected Mayor by the City Council in 1979.

From 1974 to 1976, Mr. DeTorres was employed by Contra Costa County as fiscal analyst for the CETA manpower program. Since 1976, he has held the position of student placement officer for the Contra Costa County Community College District.

Mr. DeTorres holds a B.A. degree in Business Administration from San Francisco State University and an M.A. degree in Public Administration from

John F. Kennedy University. He is presently a candidate for a Ph.D degree in Public Administration at Golden Gate University.

The District's affairs are managed and administered in accordance with the policies of the Board of Directors by an appointive District Manager/Engineer. The present District Manager/Engineer, Mr. W. L. Gallagher was appointed to his position in August, 1977. Mr. Gallagher holds a B.S. degree in Civil Engineering from the University of Washington. He has had over 30 years of experience in design and construction management. His previous positions include: Senior Project Engineer for the construction of the Honolulu, Hawaii sewage treatment plant; Director of Public Works, American Samoa; Manager of Utilities, Stanford University; Plant Officer, Stanford Linear Accelerator Center; and Project Engineer, Hanford, Washington Atomic Power Project.

Mr. Jack Cabral, Administrative & Finance Services Officer, was appointed to his position in March, 1978. He holds the degree of Bachelor of Business Administration in Accounting from Golden Gate College. Mr. Cabral has had more than 9 years of experience as Director of Grants Accounting for Contra Costa County and the Cities of Pittsburg and Berkeley. Before his involvement in grants administration and accounting, he was employed 3 years with a national CPA firm, 5 years with the Internal Revenue Service, and more than 2 years as Finance Director, City of Benicia.

Mr. Victor J. Westman, Assistant County Counsel, Contra Costa County has been assigned to provide legal services to the District for the past 15 years. Mr. Westman is a graduate of the Hastings College of Law, University of California.

## **Proposed 1979 Project Facilities**

As noted earlier, wastewater collection and treatment facilities within the District's boundaries are now operated and maintained by: the Contra Costa County Department of Public Works, under contract to the District, in the unincorporated community of West Pittsburg; the City of Antioch; and the City of Pittsburg. Existing wastewater treatment facilities are not capable of treating their respective wastewater influent and disposing of their respective treatment plant effluent to secondary treatment levels and effluent discharge standards established by the Environmental Protection Agency (EPA), State Water Resources Control Board and Regional Water Quality Control Boards. Upon completion of the



1979 Project, the operations of existing sewage treatment facilities will be discontinued.

The 1979 Project provides for the construction of subregional facilities to pump and convey all untreated wastewater collected within the District to a new centrally-located wastewater treatment plant that has the capability to treat wastewater to a secondary level [removal of at least 85 percent of the wastewater influent's Biochemical Oxygen Demand (BOD) and Suspended Solids (SS)] as required by Federal, State, and Regional Water Quality Control Board standards. Effluent from the proposed wastewater treatment plant will be conveyed through an outfall terminating in a multiple-port diffuser to a discharge point some 25 feet underwater in New York Slough.

Pump station facilities (three to be constructed at West Pittsburg, Antioch, and Pittsburg), force mains and gravity mains are to be located, sized, and aligned to provide the most economical system of conveying collected untreated wastewater to the proposed new subregional wastewater treatment plant. Pump station and pipeline design capacities are based on peak wet weather wastewater influent anticipated by the year 2000.

Wastewater treatment plant headworks, bar screens, and grit chambers to be constructed are designed for peak wet weather wastewater influent anticipated by the year 2000. The capacity of primary clarifiers is designed for peak wastewater influent loadings anticipated in 1986. With wastewater storage and flow equalization facilities following the primary clarifiers, remaining wastewater treatment plant elements are designed to handle peak dry weather wastewater influent loadings anticipated by the year 1986. Wastewater treatment plant elements that have a design capacity to handle anticipated 1986 influent loadings can be easily expanded to meet future needs. Presently it is anticipated expansion of these elements will be undertaken in 1985. See the subsection of this Official Statement entitled "Estimated Revenues, Expenditures, and Sewer Revenue Bond Service Coverage" on page 21 regarding the District's plan to utilize accumulated connection fee revenues for future expansion of 1979 Project elements.

Outfall facilities to be constructed include a pipeline and diffuser for the satisfactory discharge of wastewater treatment plant effluent into receiving waters. An effluent storage basin to be constructed at the wastewater treatment plant site will be avail-

able for emergency use in the event of the temporary failure of the wastewater treatment plant. The 48-inch diameter outfall pipe of approximately 3500 lineal feet and a 200-foot long multiple port diffuser is designed to handle hydraulic and effluent discharge requirements anticipated by the year 2000.

The tabulation on page 15 shows selected historical and projected data relative to population, wastewater flow, and wastewater loadings within the District. These data served as major bases for the design of the proposed 1979 Project facilities.

### 1979 Project Construction Schedule

For institutional and administrative purposes, the 1979 Project was divided into ten separate construction contracts to expedite the preparation of final plans and specifications, the taking of construction bids, and coordination of construction activities. The tabulation below lists the contract number and its respective 1979 Project element.

Contract No.	1979 Project Element
1.	Antioch Conveyance System
2a.	Antioch Pump Station Modifications, Phase I
2b.	Antioch Pump Station Modifications, Phase II
3.	Shore Acres and Pittsburg Pump Stations
4.	West Pittsburg Conveyance System
5.	Montezuma Conveyance System
6.	Pittsburg Conveyance System
7.	Industrial Shore Water Pollution Control Plant
8.	Outfall
9.	Equalization Storage Facilities

In 1977, the Central Valley Regional Water Quality Control Board issued new interim discharge requirements for the City of Antioch wastewater treatment plant. The present Antioch treatment facilities did not completely meet their new interim discharge requirements. As a means of temporarily mitigating the impact of these requirements, Construction Contracts No. 1 and No. 2a were awarded in 1978. The completion of Contract No. 1 and No. 2a facilities is scheduled in May 1979. At that time, the City of Antioch will transfer a portion of its wastewater to existing wastewater treatment facilities of the City of Pittsburg for processing until July 1981 when the new subregional wastewater treatment plant (Contract No. 7) is completed and

**CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A****Historical and Projected Population and Wastewater Loadings**

	1974	1976	1986	1996	2000
<b>Population:</b>					
West Pittsburg .....	11,100	11,200	15,000	19,000	20,000
Antioch .....	33,000	35,500	47,600	59,100	62,000
Pittsburg .....	23,500	25,400	35,000	40,000	41,000
Total District .....	67,600	72,100	97,600	118,100	123,000
<b>Average Dry Weather Wastewater Flow (mgd):</b>					
West Pittsburg .....	0.92	0.94	1.33	1.77	1.90
Antioch .....	2.49	2.72	3.88	5.11	5.48
Pittsburg .....	2.94	3.17	4.29	5.00	5.19
Total District .....	6.35	6.83	9.50	11.88	12.57
<b>Peak Wet Weather Flow (mgd):</b>					
West Pittsburg .....	2.32	2.36	3.24	4.22	4.50
Antioch .....	5.78	6.25	8.66	11.08	11.78
Pittsburg .....	6.44	8.89	9.14	10.93	11.33
Total District .....	14.54	17.50	21.04	26.23	27.61
<b>Peak Dry Weather Flow (mgd):</b>					
West Pittsburg .....	2.23	2.27	3.12	4.06	4.33
Antioch .....	5.47	5.92	8.21	10.53	11.19
Pittsburg .....	5.38	5.93	8.27	9.70	10.10
Total District .....	13.08	14.12	19.60	24.29	25.62
<b>Biochemical Oxygen Demand (lbs./day):</b>					
West Pittsburg .....	1,350	1,390	1,961	2,870	3,095
Antioch .....	5,467	5,963	8,528	11,239	11,345
Pittsburg .....	4,164	4,442	6,325	7,508	7,819
Total District .....	10,981	11,795	16,814	21,617	22,259
<b>Suspended Solids (lbs./day):</b>					
West Pittsburg .....	1,449	1,480	2,111	3,090	3,325
Antioch .....	4,117	4,509	10,922	8,485	9,097
Pittsburg .....	3,118	3,680	5,374	6,487	6,766
Total District .....	8,684	9,669	18,407	18,062	19,188

Source: CDM/KKA Consultants, *East/Central Contra Costa County Wastewater Management Study*, Table III-6 Design Population, Table IV-19 Projected Wastewater Flow, Table IV-22 Projected Domestic Waste Loadings, and Table IV-23 Projected Industrial Waste Loadings to Municipal Treatment Facilities.

the subregional wastewater conveyance and treatment project becomes operational.

On February 7, 1979 the District received construction bids for conveyance facilities provided for in Contracts No. 4, 5, and 6. On February 14, 1979 the District received construction bids for the most costly elements of the 1979 Project, the new subregional wastewater treatment plant (Contract No. 7) and pump station facilities (Contracts No. 2b and

3). These latter contracts were bid as a single package to stimulate competitive bidding by major contractors to minimize construction costs.

Bid prices quoted for the above-cited contracts are firm for a period of 90 days from their respective bid dates. Presently, construction bids are being reviewed by the State and it is anticipated that the District will receive State approval to award the contracts prior to the delivery of the Bonds.



In July 1979, the District is scheduled to receive construction bids on the two remaining construction contracts to complete the 1979 Project [Contract No. 8 (Outfall) and Contract No. 9 (Equalization Storage Facilities)].

The tabulation below summarizes the current status of the ten construction contracts for 1979 Project elements. As shown in the tabulation all elements of the 1979 Project are scheduled to be completed and fully operational by July 1981.

All 1979 Project contractors are required to furnish faithful performance and labor and materials bonds for the payment of all labor and materials employed in the execution of their respective contracts. In addition, all contractors are to provide a defective material and workmanship bond for an 12-month warranty period in an amount equal to 10 percent of the construction price as established at the conclusion of construction.

All contractors are required to maintain workmens compensation insurance under the laws of the State of California for all labor employed by the contractor or any subcontractor. Further, public liability, property damage, and vehicle liability insurance is required of all contractors to protect both the contractor and the District against loss from liability for damages. Limits of liability for injury or accidental death are one person @ \$1,000,000 and one accident @ \$5,000,000. Limits of liability for property damage are one accident @ \$100,000 to \$1,000,000, and aggregate liability for loss @ \$300,000 to \$1,000,000.

All contractors are also required to maintain fire and extended coverage insurance upon the project

to insure the District, Engineer, contractor and subcontractors against loss. Such insurance may have a deductible clause not to exceed 5 percent of the actual cash value of completed work and material at the time of damage caused by flood, and \$1,000 for damage or destruction arising from all other causes.

## 1979 Project Cost Estimates

As of the date of this Official Statement, the District's Manager/Engineer estimates the total cost of the 1979 Project at approximately \$47,035,500. This estimate is based on: (1) 1979 Project costs that have been incurred and paid to date; (2) the receipt of construction bids on 8 of the 10 construction contracts for 1979 Project elements, including Contract No. 7 for the new wastewater treatment plant at \$25,195,133, the most costly 1979 Project element; (3) consulting engineers' estimates of construction costs of Contracts No. 8 and No. 9; and, (4) consulting engineers' estimates of 1979 Project related engineering, inspection, and testing costs to be incurred during the construction period.

## Sources of Funds

The total estimated cost of the 1979 Project will be met with funds from the three sources: (1) Federal and State construction grants; (2) Sewer Revenue Bond proceeds and interest income from the investment of Sewer Revenue Bond proceeds during the construction period; and (3) District funds.

Contract Number	Bids Received	Low Bidder	Bid Price	Date of Award	Estimated Completion Date
1.	12/20/77	M.G.M. Construction Co.	\$ 1,825,000	2/15/78	5/79
2a.	12/ 8/77	Pacific Mechanical Corporation	375,000	1/12/78	5/79
2b.	2/14/79	Fedrick-Moore Joint Venture	678,200	5/ 2/79	7/81
3.	2/14/79	Fedrick-Moore Joint Venture	2,304,200	5/ 2/79	7/81
4.	2/ 7/79	Contri Construction Co.	2,196,264 <sup>①</sup>	5/ 2/79	9/80
5.	2/ 7/79	Piombo Construction Co.	474,000	5/ 2/79	12/79
6.	2/ 7/79	Peter Kiewit Sons' Co.	929,000	5/ 2/79	6/80
7.	2/14/79	Fedrick-Moore Joint Venture	25,195,133	5/ 2/79	7/81
8.	7/ 1/79 <sup>②</sup>	—	1,940,000 <sup>②</sup>	9/ 1/79 <sup>②</sup>	10/80
9.	7/ 1/79 <sup>②</sup>	—	1,700,000 <sup>②</sup>	9/ 1/79 <sup>②</sup>	10/80

<sup>①</sup> Bid price of second low bidder. Low bidder contends a clerical error was made in his bid.

<sup>②</sup> Estimated.

**Federal and State Grants.** In California, Federal and State sewage facility construction grant programs are administered by the State Water Resources Control Board (the Board). The District has entered into grant agreements with the Board for all 1979 Project elements. These agreements provide that Federal and State grants will pay an aggregate of 87.5 percent of grant eligible 1979 Project costs.

The District's Manager/Engineer and consulting engineers estimate that the District will qualify for Federal and State grants aggregating approximately \$37,253,000 for the planning, design, and construction of the 1979 Project. This amount of grant funds is equivalent to 79.2 percent of the estimated total costs of the 1979 Project. The remainder of 1979 Project costs, to be met by the District is estimated at \$9,782,500, after allowances for the receipt of Federal and State grants at \$37,253,000.

**Sewer Revenue Bond Proceeds.** The tabulation below shows estimated Sewer Revenue Bond proceeds, and estimated income from the investment of Sewer Revenue Bond proceeds during the construction period. These estimates include allowances for: (1) an interest rate of 7.5 percent that may be bid on the Bonds currently being offered for sale, (2) funding of interest on the Bonds through November 1, 1981, approximately five months beyond the date scheduled for the completion of construction of the 1979 Project and four months beyond the date when the 1979 Project is scheduled to be fully operational; (3) funding the Bond Reserve Account from Bond proceeds in an amount equal to estimated maximum annual debt service; and (4) interest income from investments of monies in the Bond Reserve and Interest Accounts at an average rate of 9 percent during the construction period as estimated by the Fiscal Agent.

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**Disposition of Bond Proceeds and Estimated Investment Income**

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Principal Amount of Bonds Issued . . . . .	\$9,200,000
Less: Funded Interest Through 11/1/81 (1,725,000)	
Bond Reserve Account . . . . .	(876,125)
Costs of Issuance . . . . .	(120,000)
Balance to Series A Bond Fund	\$6,478,875
Add Investment Income: Interest	
Account . . . . .	\$ 232,875
Bond Reserve	
Account . . . . .	157,700
Total Available Funds . . . . .	\$6,869,450

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**District Funds.** After allowances for the receipt of Federal and State grants (\$37,253,000) and Bond proceeds plus income from the investment of monies in the Interest and Bond Reserve Accounts during the construction period (\$6,869,450), the District staff estimates that approximately \$2,913,000 of District funds will have been required to meet the balance of estimated costs of the 1979 Project.

With the start of pre-design studies in 1976/77, the District in 1977/78 adopted a policy of accumulating funds to meet the District's share of 1979 Project costs. Property taxes were levied in 1977/78 and collected from the District's three zones in the aggregate amount of \$1,902,448. In 1978/79, the District was precluded from levying property taxes due to the passage of the Jarvis-Gann Constitutional Initiative (now Article XIII A of the California Constitution) on June 6, 1978.

To enable the District to continue in 1978/79 with the planning, design, and construction of the 1979 Project, service charges were levied pursuant to Ordinance No. 10 of the District in the aggregate amount of \$108,669 upon the District's three zones. In addition, the District, pursuant to Ordinance No. 11, adopted a connection fee of \$500 per residential dwelling unit equivalent to become effective after December 31, 1978.

The tabulation on page 18 shows the District's 1978/79 Capital Outlay Budget for 1979 Project purposes as well as actual experience through February 28, 1979. The District's staff estimates that approximately \$2,500,000 of District funds will have been expended or budgeted and reserved for 1979 Project purposes through fiscal year 1978/79.

**Future District Funds.** To meet the balance of the District's funding requirements prior to completion of the 1979 Project, the District staff estimates that approximately \$413,000 of future District funds will be required (\$2,913,000 estimated total District fund requirements less \$2,500,000 expended or budgeted and reserved for 1979 Project purposes through fiscal year 1978/79). The District's future fund needs represent estimated costs of administration, management, and the training of operating personnel during the construction period and prior to the 1979 Project becoming fully operational.

With reference to the District meeting its need for future funds, the District was advised on March 16, 1979 by the State Water Resources Control Board that certain features of the proposed subregional



**CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A**  
**1978/79 Capital Outlay Fund Budget**

	1978/79 Budget	Actual Through 2/28/79
Cash Balance Carried Forward .....	\$ 1,523,903	\$1,523,903
District Revenue		
Property Tax Allocation <sup>①</sup> .....	\$ 397,603	\$ 397,603
Service Charge		
Zone 1 (West Pittsburg) <sup>②</sup> .....	14,127	14,127
Zone 2 (City of Pittsburg) .....	41,294	20,647
Zone 3 (City of Antioch) .....	53,248	—
Connection Fees <sup>③</sup> .....	250,000	1,000
Annexation and Processing Fees .....	68,000	28,453
Subtotal District Current Revenue .....	\$ 426,669	\$ 64,227
Other Revenue		
Federal Grant Reimbursement .....	\$ 5,896,629	\$2,313,445
State Grant Reimbursement .....	982,771	373,287
Sewer Revenue Bond Proceeds .....	978,849	—
Subtotal Other Revenue .....	\$ 7,858,249	\$2,686,732
Grand Total All Funds Available for Appropriation .....	\$10,206,424	\$4,672,465
Expenditures		
District Office Costs .....	\$ 144,204	\$ 79,474
Subregional Plant Construction Costs		
Employee Salaries and Benefits .....	\$ 18,420	\$ 7,182
Professional and Personal Services .....	218,600	36,043
Right of Way Costs .....	15,200	36,389
Facility Design and Supervision .....	2,600,000	1,538,997
Construction Contracts .....	6,500,000	2,003,391
Land Acquisition .....	335,000	310,000
Contingency Reserve .....	375,000	—
Total Expenditures .....	\$10,206,424	\$4,011,476

① District's allocation of 1978/79 taxes levied, collected, and distributed by the County pursuant to legislation implementing the Jarvis-Gann Constitutional Initiative, now Article XIII A of the California Constitution.

② Includes service charge revenue received by District for service to Contra Costa County Sanitation District No. 7-B.

③ District's connection fee ordinance became effective on January 1, 1979.

Source: District Administrative and Finance Services Officer.

wastewater treatment plant are eligible for Innovative/Alternative Technology (I/A) funding due to the fact that this facility is designed to use over 90 percent of the digester gas produced at the plant. I/A funding will increase Federal grants an additional 10 percent (from 75 percent to 85 percent) of the eligible construction costs of this facility's anaerobic digesters; digester gas storage tank, engine/generator, and heat recovery system; boiler; sludge heaters; and piping between these facilities.

Based on detailed analyses of construction costs as bid on Contract 7 of the facilities that qualify for

I/A funding, the District's staff and consulting engineers estimate that at a minimum, additional Federal grant funds of approximately \$495,000 may be obtained by the District. As of the date of this Official Statement, the District's staff and consulting engineers are in the process of negotiating with State officials regarding the amount of Federal I/A grant funds the District will receive. The District's need for additional future funds for its share of 1979 Project costs (estimated at \$413,000) would be satisfied with the receipt of Federal I/A grant funds (estimated at a minimum of \$495,000).

## Summary of Costs and Sources of Funds

Table 4 on page 20 shows details of the 1979 Project costs and sources of funds as estimated by the District's Manager/Engineer as of the date of this Official Statement. The tabulation below shows a summary of aggregate 1979 Project costs and sources of funds.

### 1976 Project Costs and Sources of Funds

Project Purposes	Estimated Cost
Step I—Predesign Studies .....	\$ 1,222,000
Step II—Design and Predischage Monitoring .....	3,027,702
Step III—Construction Management and Inspection .....	2,909,000
Construction Contracts .....	37,616,797
Other Miscellaneous .....	1,960,000
Contingencies .....	400,000
Total .....	\$47,035,499

Sources of Funds	Estimated Amount
Federal and State Grants .....	\$37,253,110
Bond Proceeds and Investment Income .....	6,869,450
District Funds Expended Through 1977/87 and Budgeted Through 1978/79 .....	2,500,000
Future District Funds .....	412,939
Total .....	\$47,035,499

## Financing Plan and Annual Revenue Program

**Federal and State Grant Requirements.** The 1979 Project is being financed in large part with Federal and State grants pursuant to the Federal Water Pollution Control Act Amendments of 1972 (PL92-500) and the State of California Clean Water Grant Program.

As a condition of accepting Federal and State grants for the construction of the 1979 Project, the District is required to adopt a financing plan and revenue program in accordance with the Federal and State requirements and guidelines. The financing plan and revenue program must provide for the adoption of a system of sewer service charges that is based on

the quality and quantity of sewage discharged by users into the grant-funded 1979 Project. Further, the sewer service charge system must be capable of producing sufficient funds to meet annual costs of operations and maintenance, bond service and other capital-related costs, and replacements needed to preserve the functional value of the facilities over the design-life of the 1979 Project.

In addition to the foregoing, the financing plan and annual revenue program is required to provide for the recovery of Federal grant monies allocable to the capacity of project facilities that are designed to serve industrial users. Recovery of these Federal grant monies (ICR) must be obtained from industrial users over a period not to exceed 30 years. ICR charges obtained by the District are to be used as follows: (1) fifty percent is to be returned to the Federal Treasury; (2) forty percent is to be retained by the District and reserved for future improvements approved by the Environmental Protection Agency (EPA); and (3) ten percent may be used by the District at its discretion.

The Clean Water Act of 1977 placed an 18-month moratorium on the collection of ICR charges pending an investigation of the propriety of these charges. The requirement to collect ICR charges may be reinstated on July 1, 1979.

**Implementation.** The District's financing plan and revenue program, prepared by Brown and Caldwell Consulting Engineers for CDM/KKA Consultants (engineering consultants to the District), has been under study by the District and the Cities of Antioch and Pittsburg.

On March 27, 1979, the City Council of the City of Antioch adopted Resolution No. 79/70. On April 2, 1979 the City Council of the City of Pittsburg adopted Resolution No. 79-6398. These Resolutions declare the City of Antioch's and the City of Pittsburg's intentions regarding their participation in implementing the 1979 Project as follows:

(1) For the fiscal year 1979/80, it is the Cities' intention to continue to levy, collect, and remit to the District service charges at a level approximate to those levied in 1978/79;

(2) Between July 1, 1980 and June 30, 1981 (fiscal year 1980/81), the District will implement a procedure whereby it will bill and collect charges in the Cities for sewer service. In fiscal year 1980/81 it is anticipated that the Cities' sewage treatment plants will be temporarily operated by the District to enable the implementation of such



sewer service charges and the transition of operating personnel from the Cities to the District for training on subregional treatment plant operations and other administrative and start-up advantages.

(3) The District will commence full operation of the 1979 Project in fiscal year 1981/82 and charge its users for related operation, maintenance, and capital costs.

**Table 4**

**CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A**

**1979 Project Costs, Estimated Grants, and Funding Sources for District Costs**

1979 Project Cost Element	Estimated Total Costs	Estimated Grants	Estimated District Costs	Funding Sources for District Costs		
				District Funds		Revenue Bond Proceeds
				To Date <sup>①</sup>	Future <sup>②</sup>	
Step 1—Predesign Studies .....	\$ 1,222,000	\$ 1,065,000	\$ 157,000	\$ 157,000	\$ —	\$ —
Step 2—Design and Predischage Monitoring	3,027,702	2,168,684	859,018	846,250	—	12,768
Step 3—Preconstruction .....	194,000	169,750	24,250	2,500	—	21,750
Resident Engineering, Inspection, Construction Management .....	2,450,000	2,048,000	402,000	35,000	—	367,000
Surveying .....	20,000	16,720	3,280	—	—	3,280
Materials Testing .....	100,000	83,600	16,400	—	—	16,400
Preparation of Operation and Main- tenance Manuals .....	40,000	33,440	6,560	—	—	6,560
Plant Startup .....	20,000	16,720	3,280	—	—	3,280
Operators Training .....	35,000	29,260	5,740	—	—	5,740
Provision for Additional Services ..	50,000	25,080	24,920	—	—	24,920
Construction Contracts:						
1 —Antioch Conveyance System <sup>③</sup> .....	1,825,000	1,520,000	305,000	305,000	—	—
2A—Antioch Pump Station Modifications, Phase I <sup>③</sup> .....	375,000	320,750	54,250	54,250	—	—
2B—Antioch Pump Station Modifications, Phase II <sup>④</sup> .....	678,200	588,534	89,666	—	—	89,666
3 —Shore Acres and Pittsburg Pump Sta- tions <sup>④</sup> .....	2,304,200	1,967,155	337,045	—	—	337,045
4 —West Pittsburg Conveyance System <sup>④</sup>	2,196,264	1,721,492	474,772	—	—	474,772
5 —Montezuma Conveyance System <sup>④</sup> ...	474,000	414,750	59,250	—	—	59,250
6 —Pittsburg Conveyance System <sup>④</sup> .....	929,000	767,375	161,625	—	—	161,625
7 —Industrial Shore Wastewater Treat- ment Plant <sup>④</sup> .....	25,195,133	20,886,800 <sup>⑥</sup>	4,308,333	—	—	4,308,333
8 —Outfall <sup>⑤</sup> .....	1,940,000	1,697,500	242,500	—	—	242,500
9 —Flow Equalization Storage Facilities <sup>⑤</sup>	1,700,000	1,487,500	212,500	—	—	212,500
Construction Contingency .....	300,000	—	300,000	300,000	—	—
Other Miscellaneous:						
Land Easements and Surveys .....	600,000	—	600,000	600,000	—	—
Tools, Equipment, Furniture, Supplies ...	200,000	—	200,000	—	—	200,000
Legal Services .....	50,000	—	50,000	50,000	—	—
Cost of Bond Issuance .....	120,000	—	120,000	—	—	120,000
Administration and Management .....	600,000	225,000	375,000	50,000	122,939	202,061
Operating Staff .....	290,000	—	290,000	—	290,000	—
Allowance for Contingencies .....	100,000	—	100,000	100,000	—	—
Grand Totals .....	\$47,035,499	\$37,253,110 <sup>⑥</sup>	\$9,782,389	\$2,500,000	\$412,939	\$6,869,450

① Includes costs paid to date or expensed and budgeted over the period 1976/77 through 1978/79.

② Receipts of Federal I/A grant funds for which the District is eligible, estimated at a minimum of \$495,000, would satisfy District's estimated need for future funds.

③ Construction contract awarded and construction now in progress.

④ Construction bids received in February 1979. Construction contracts to be awarded following State review and approval and delivery of the Bonds currently being offered for purchase.

⑤ Construction bids to be received in July 1979. Construction contracts to be awarded following State review and approval.

⑥ Does not include additional Federal I/A grant funds for which the District is eligible, estimated at a minimum of \$495,000.

Source: District Manager/Engineer.

(4) The Cities will cooperate fully with the District in implementing this program by making available to the District all records of sewer service user connections and any other appropriate data necessary or convenient to assist the District in the timely establishment and implementation of its sewer service charge collection program.

The District has been further advised by the Cities of Antioch and Pittsburg that it is their intent to enter into a signed agreement with the District before the April 24, 1979 sale date of the Bonds regarding the allocation of 1979 Project facility capacities and the allocation of annual revenue requirements of the 1979 Project.

The agreement, with respect to capacity in 1979 Project facilities, will essentially provide the following reservations for each of the District's three zones. The sewer service capacity required to be provided to each Zone on an average daily basis will be as follows:

	Zone 1 West Pittsburg	Zone 2 Pittsburg	Zone 3 Antioch
Flow (million gallons per day) .....	1.33	4.29	3.88
BOD (pounds per day) ..	2,110	6,810	9,180
Suspended Solids (pounds per day) ..	2,250	5,720	6,830

provided, however, that no Zone shall discharge wastewater into the Enterprise which shall at any time exceed the following percentages of the above parameters:

	Flow	BOD	Suspended Solids
Average day .....	100%	100%	100%
Average day of the maximum month ..	116%	124%	135%
Maximum day .....	190%	149%	160%
Peak hour .....	220%	—	—

With respect to annual allocations of revenue requirements to the District's three zones, the agreement will provide as follows:

(a) Capital costs will be allocated to Zone 1 (West Pittsburg) @ 14.9 percent, Zone 2 (Pittsburg) @ 41.7 percent and Zone 3 (Antioch) @ 43.4 percent.

(b) Certain elements of maintenance and operation costs vary dependent on sewer service provided on an annual basis and the average day of the maximum month. Operation and maintenance costs allocations will be as follows:

<i>Average Day of the Maximum Month Sewer Service Provided</i>	
For Flow .....	28.5%
For BOD .....	26.0
For Suspended Solids .....	11.1
Subtotal .....	65.6%
<i>Annual Sewer Service Provided</i>	
For Flow .....	27.4%
For BOD .....	4.5
For Suspended Solids .....	2.5
Subtotal .....	34.4%
Total .....	100.0%

## Estimated Revenues, Expenditures, and Sewer Revenue Bond Service Coverage

Brown and Caldwell Consulting Engineers have prepared estimated revenue requirements for the initial three-year period of operations of the 1979 Project. These data, which are abstracted from the District's financing plan and revenue program, are shown in Table 5 on page 22.

Sewer service charge revenue requirements to pay estimated annual costs of operation and maintenance are based on the consulting engineers' estimates of expenses associated with similar facilities in other communities, escalated at the rate of 7 percent per year to compensate for anticipated continued inflation. The estimated revenue requirements of the 1979 Project also include a provision for capital improvements at the rate of approximately one percent of annual sewer service charge revenues, capital replacement of mechanical equipment on a \$3.5 million 20-year sinking fund factor of six percent, and a contingency fund to assure the District of adequate operating revenues during short-term periods when current expenses may temporarily exceed current revenues.



Table 5

## 1979 PROJECT

Estimated Revenues, Expenditures and  
Sewer Revenue Bond Service Coverage

	1981/82	1982/83	1983/84
<b>REVENUES</b>			
Sewer Service Charges			
Antioch .....	\$1,252,000	\$1,305,000	\$1,361,000
Pittsburg .....	1,189,000	1,230,000	1,275,000
West Pittsburg .....	419,000	434,000	451,000
Subtotal .....	\$2,860,000	\$2,969,000	\$3,087,000
Industrial Cost Recovery			
Antioch .....	\$ 17,000	\$ 17,000	\$ 17,000
Pittsburg .....	53,000	53,000	53,000
West Pittsburg .....	18,000	18,000	18,000
Subtotal .....	\$ 88,000	\$ 88,000	\$ 88,000
Total Revenues .....	\$2,948,000	\$3,057,000	\$3,175,000
<b>OPERATION AND MAINTENANCE</b>			
Wastewater Conveyance .....	\$ 224,000	\$ 240,000	\$ 257,000
Wastewater Treatment .....	1,402,000	1,500,000	1,605,000
Outfall and Diffuser Inspection .....	13,000	14,000	15,000
Consulting Services .....	84,000	90,000	96,000
Vehicle Replacement .....	13,000	14,000	15,000
Subtotal .....	\$1,736,000	\$1,858,000	\$1,988,000
NET REVENUES <sup>①</sup> .....	\$1,132,800	\$1,119,800	\$1,107,800
ESTIMATED SEWER REVENUE BOND SERVICE .....	865,000	866,875	867,625
COVERAGE RATIO .....	1.31	1.29	1.28
REVENUES AVAILABLE FOR OTHER PURPOSES .....	\$ 347,000	\$ 332,125	\$ 319,375
ICR to Treasury .....	44,000	44,000	44,000
ICR Future Capital Projects and Discretionary .....	44,000	44,000	44,000
Capital Replacement .....	95,000	101,000	107,000
Capital Improvement .....	25,000	27,000	29,000
Contingency Fund .....	139,000	116,125	95,375

① Sewer Service Charge revenues, plus 10 percent of ICR revenues which may be used at the discretion of the District, after meeting operation and maintenance costs.

Source: Brown and Caldwell Consulting Engineers: Financing Plan and Revenue Program Review Draft Contra Costa County Sanitation District No. 7-A.

In addition to service charge revenue requirements to pay the above-cited cost estimates, it is estimated that the District may realize revenue from sewer connection fees at the annual rate of approximately \$500,000. Based on current rates of the District @ \$500 per dwelling unit equivalent, this allowance provides for additional connections of approximately 1,000 dwelling unit equivalents annually. It is the District's intent to reserve and utilize accumulated sewer connection fee revenues to offset a portion of the costs of constructing Stage II improvements of the wastewater treatment facility. Based on present projections, it is anticipated that need for the Stage II wastewater treatment plant improvements will occur in 1986.

The District has pledged that it will establish and maintain rates and charges for sewer service so as to produce net revenues equal to at least 1.25 times annual debt service on the Bonds. Assuming

the estimated required revenues from sewer service charges and industrial cost recovery are obtained as projected and annual costs of operation, maintenance, and sewer revenue bond service are incurred as estimated, the data in Table 5 indicates that net revenues of the 1979 Project will provide coverage ratios ranging from approximately 1.28 to 1.31 times estimated debt service on the Bonds.

### Estimated Sewer Service Charge Rates

The tabulation below shows the estimated levels of bimonthly sewer service charges that will be required to meet annual revenue requirements of the 1979 Project during its initial three years of operation. These estimated rates for 1979 Project sewer service compare with the following existing rates for sewer service that are charged within the District's three zones.

#### CONTRA COSTA COUNTY SANITATION DISTRICT NO. 7-A PROJECTED BI-MONTHLY USER CHARGES FOR THE 1979 PROJECT<sup>①</sup>

User Classification	Billing Unit	Zone 1	Zone 2	Zone 3
Residential Single Family .....	Dwelling unit	\$10.65	\$12.95	\$10.85
Residential Two-Four Units .....	Dwelling unit	7.45	10.20	7.90
Multiple Five or More Units .....	Dwelling unit	7.10	9.50	6.90
Mobile Homes .....	Dwelling unit	7.45	9.90	6.55
Commercial	②			
Bakeries .....		\$ 1.33	\$ 1.28	\$ 1.56
Car Wash .....		0.48	0.43	0.46
Coin Laundry .....		1.03	1.03	1.03
Hotel With Dining Facilities .....		1.02	1.02	1.02
Laundromats .....		0.56	0.41	0.56
Mortuaries .....		1.05	0.83	1.05
Restaurants .....		1.19	0.94	1.30
All Other .....		0.45	0.43	0.40
Institutional	②			
Schools .....		\$ 0.31	\$ 0.26	\$ 0.30
All Other .....		0.59	0.64	0.54
Industrial Average .....	②	\$ 0.73	\$ 0.85	\$ 1.38

① Excludes costs of local wastewater collection systems in Zones.

② Billing unit based on 100 cubic feet of wastewater discharge.

Source: Brown and Caldwell Consulting Engineers.



**Zone 1.** Charges for sewer service within West Pittsburg are at the annual rate of \$65 per dwelling unit equivalent. Charges for representative commercial and industrial users are based on a multiple of the dwelling unit equivalent charge depending on the quantity and quality of wastewater discharged.

Ordinance No. 9 of the District provides that all Zone No. 1 annual sewer service charges shall be collected on the County tax roll in the same manner and at the same time, together with and not separately from, general taxes and shall be delinquent at the same time and subject to the same delinquency.

**Zone 2.** Charges to residential users for sewer service within the City of Pittsburg are at the bi-

monthly rate of \$5.00 per dwelling unit. Existing charges to commercial users vary from \$7.00 to \$9.00 bimonthly. Industrial user rates for sewer service are \$0.09 per hundred cubic feet of wastewater discharge.

**Zone 3.** Within the City of Antioch sewer service charges will be increased effective May 1, 1979. Residential users will be charged a flat bi-monthly rate of \$5.16 per dwelling unit, compared to the existing rate of \$3.80. All other users will be charged an amount equal to 105 percent of the user's water bill, compared to the existing rate of 80 percent, with a minimum service charge equal to the residential bi-monthly rate.

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# ECONOMY OF THE DISTRICT

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Contra Costa County Sanitation District No. 7-A is located in northeastern Contra Costa County. It covers approximately 25 square miles, encompassing the City of Pittsburg, the City of Antioch, the unincorporated communities of West Pittsburg, Shore Acres, Nichols and certain other unincorporated areas. The center of the District is approximately 30 miles northeast of San Francisco and 22 miles northeast of Oakland.

The District lies along the heavily industrialized north shore of Contra Costa County, fronting on the San Joaquin River and deepwater channels leading to San Francisco Bay and the Golden Gate. The general area is recognized as the center of heavy industry in Northern California. Two of Pacific Gas and Electric Company's largest generating plants are situated adjacent to District boundaries. Three railroads serve the District, and there is convenient access to three interstate highways.

The Contra Costa Canal of the Central Valley Project traverses the southern part of the District.

## Population

The District's present population is estimated at 78,000 persons. Since the 1970 Federal Census, the

District's population has increased at a rate approximately three times faster than that of the county as a whole. During the decade of the fifties, both Pittsburg and Antioch exceeded the county's rate of population growth. During the sixties, Pittsburg experienced a period of slow growth, brought about by the closing of Camp Stoneman, while Antioch added approximately 11,000 persons to its population. In the past few years, Pittsburg's rate of gain has accelerated. This pattern is shown in the tabulation of population data below.

## 1975 Special Census

In April 1975 a special countywide census was conducted by the Contra Costa County Planning Department in cooperation with all cities in the county and the State Department of Finance. The tabulation at the top of page 26 shows population characteristics for District subareas, as reported in this Special Census.

## Housing

The District is characterized by single-family, owner-occupied homes. In the 1970 Census of Housing, the City of Antioch reported a total of 8,855 housing units, of which 82 percent were single family and 66 percent were owner-occupied, with a median home value of \$20,100. Equivalent figures for the City of Pittsburg were 6,720 total units, 78 percent single family, and 58 percent owner-occupied, with a median home value of \$17,300.

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## Population Data

Year	City of Pittsburg	Percent Change	City of Antioch	Percent Change	Contra Costa County	Percent Change
1940 .....	9,520	—	5,106	—	100,450	—
1950 .....	12,763	34.1%	11,051	116.4%	298,984	197.6%
1960 .....	19,062	49.4	17,305	56.6	409,030	36.8
1970 .....	20,651	8.3	28,060	62.1	555,805	35.9
1975 .....	24,347	18.1	33,215	18.4	582,829	4.9
1978 <sup>①</sup> .....	27,600	13.4	36,650	10.3	611,700	5.0

<sup>①</sup> The Contra Costa County Planning Department estimates a 1978 population of 11,850 for Census Tracts 3141 (West Pittsburg) and 3142 (Shore Acres). A portion of Census Tract 3141 lies within the Pittsburg city limits.

Source: Decennial data, U.S. Census Bureau; 1975 Special Census; January 1, 1978 estimates by State Department of Finance.

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	City of Pittsburg	City of Antioch	West Pittsburg	Contra Costa County
Median Household Income				
1970 .....	\$ 7,965	\$10,172	\$7,572	\$10,992
1975 .....	11,670	13,175	8,784	15,026
Median Years of School Completed				
1970 .....	10.9	12.2	10.8	12.5
1975 .....	12.0	12.0	12.0	13.0
Average Household Size				
1970 .....	3.2	3.3	3.2	3.2
1975 .....	3.0	2.9	2.8	2.9

In the City of Antioch, approximately 6,000 new housing units have been built since the 1970 Census. Three quarters of this total residential construction consisted of single family homes. The 1978 average building permit value for single homes was \$26,408, exclusive of land.

In Pittsburg, more than 4,800 new housing units have been built since 1970. Single family homes accounted for about 83 percent of this total volume. In 1978, the average building permit for single homes was valued at \$26,966, not counting value of the land.

## CONTRA COSTA COUNTY

### Wage and Salary Employment

#### Annual Averages

Industry	<u>Actual</u> 1976	<u>Actual</u> 1977	<u>Preliminary</u> 1978	<u>Forecast</u> 1979
Construction .....	9,300	10,600	11,000	11,500
Manufacturing—Durables .....	10,900	11,200	11,400	11,400
Manufacturing—Nondurables .....	15,300	15,300	15,300	15,500
Transportation, Utilities .....	9,500	9,800	10,100	10,300
Wholesale Trade .....	6,800	7,200	7,400	7,600
Retail Trade .....	34,500	37,600	39,500	40,900
Finance, Insurance, Real Estate .....	7,100	8,500	8,800	9,300
Services .....	30,700	32,000	33,100	34,100
Federal Government .....	5,400	5,600	5,700	5,700
State and Local Government .....	34,000	34,200	35,000	35,500
Mineral Extraction .....	300	300	300	300
Agriculture .....	2,000	2,000	2,000	2,000
Total .....	165,800	174,300	179,600	184,200

Source: California Employment Development Department.

## Employment

According to studies by state labor analysts, total wage and salary employment in Contra Costa County will average 184,200 in 1979, compared with 179,600 in 1978. About 22 percent of all wage and salary workers are employed in retail trade, 19 percent in state and local government, 18 percent in personal services, and 14 percent in manufacturing. Most factory workers are in non-durable goods plants, reflecting the importance of the petroleum and chemical industries in the county's economy.

The tabulation at the bottom of page 26 shows the distribution of employment by industry in the county over a four-year period, including actual and forecast data. This analysis indicates that principal job additions will be in retail trade, personal services, and state and local government for the period ending in 1979.

In the countywide 1975 Special Census, the April 1975 unemployment rate was reported to be 5.3%. This was significantly below both State and Bay Area unemployment rates for the period.

Current unemployment data are not available for Contra Costa County. The County forms part of the five-county San Francisco-Oakland Labor Market, reported monthly by the State Employment Development Department. As of December 1978, this labor market provided 1,467,800 civilian jobs, up 32,500 over the previous December. The unemployment rate for labor market residents was 5.5%, down from the 5.7% of December 1977. The seasonally adjusted unemployment rate was 6.0%, compared with 6.1% at December 1977.

The largest industrial employers in eastern Contra Costa County, in and near the District, are listed on page 28 and are discussed in the section entitled "Industry". Other important industrial employment centers in the County are Richmond, in the western sector, and the Concord-Walnut Creek area in central Contra Costa County. Among major employers in these latter areas are Standard Oil Company of California, Systron-Donner Corp. (now part of Leeds & Northrup), Safeway Stores, Shell Oil Co., Chevron Research Co., Union Oil Co., Chevron Chemical Co., Beckman Instruments, Stauffer Chemical Co., and Pacific Intermountain Express.

Large non-manufacturing employers in the District and vicinity are Pacific Gas and Electric Co., Pacific Telephone Co., County East Mall in Antioch, Antioch Unified School District, Pittsburg Unified School District, Los Medanos Community College,

Los Medanos Community Hospital, Delta Memorial Hospital, Mt. Diablo Unified School District, and the U.S. Naval Weapons Station. At Martinez, 10 miles west of the District, are the many administrative offices of Contra Costa County.

## Industry

The northern shore line of Contra Costa County, from the District westward to San Francisco Bay, has become established as a center of medium and heavy industry. Deepwater transportation, good main line rail facilities, a plentiful supply of power, and the availability of desirable sites have brought about the location of plants of nationally-known firms, as described in the following paragraphs.

The Columbia-Geneva Steel works of United States Steel Corporation was established in Pittsburg in 1910. The plant has been successively expanded and modernized, and is now known as the Pittsburg Works.

The plant's rolling mill was built in 1919. The first rod mill was completed in 1923 and a three-strand continuous rod mill was added in 1943. A wire and nail mill was built in 1923 and in 1941 the company's wire rope mill was moved to Pittsburg from San Francisco.

The sheet and tin mill at Pittsburg was the first of its kind in the West. The sheet mill was established in 1923 to process steel coils produced at other U.S. Steel plants and the tin mill was built in 1929 and expanded in 1953. Additions since then have been a third electrolytic tinning line, a continuous annealing line, a second continuous sheet galvanizing line, and new double cold reduced tin facilities.

The plant is served by three railroads and contains 15 miles of track. Products are also shipped by ocean-going vessels which are accommodated by a 1,000-foot-long dock at the plant. About 2,500 persons are employed at the Pittsburg Works.

The American Bridge Co. plant of U.S. Steel, located west of Somersville Road in the District, is now inactive and available for sale or lease.

The Continental Can Company is the largest of several manufacturers which have located in the Pittsburg area to take advantage of the proximity to the U.S. Steel complex. The company has two plants, one producing fiber drums and corrugated boxes and the other manufacturing decorated tin and aluminum plate. The company employs about 250 at one plant and 150 at the other.



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## DISTRICT AND VICINITY

### Largest Industrial Employers

#### 100 or More Employees

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Company	Product/Service	No. of Employees
Antioch area:		
Crown Zellerbach Corp. ....	Kraft, paperboard	900
E. I. duPont de Nemours & Co. ....	Refrigerants, solvents	500
Louisiana Pacific-Fibreboard ....	Kraft, linerboard	450
Louisiana Pacific-Fibreboard* ....	Corrugated containers	150
Glass Containers Corp.* ....	Glass bottles, jars	350
Domtar Gypsum ....	Wallboard	100
Pittsburg area:		
U. S. Steel Corp. ....	Tin plate, bars, steel shapes	2,500
Dow Chemical Co., Western Division Headquarters ...	Chemical manufacturing	800
Interpace Corp. ....	Refractories	100
Johns-Manville Corp.* ....	Asphalt roofing, paper products	300
Triangle P.W.C., Inc.* ....	Tubing, conduit	100
Continental Can Co., Inc. ....	Fibre drum containers	156
Continental Can Co., Inc.* ....	Tin, aluminum plate	250
Allied Chemical Corp.* ....	Chemicals	135

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\*Located in the District.

Source: County Development Association and Community Profiles.

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The Dow Chemical Company established its Pittsburg operation in 1939 when it acquired the Great Western Electrochemical Company, which had opened a plant there in 1916. The Pittsburg facility covers a 350-acre site, with room for future expansion. About 800 persons are employed currently in the production of industrial, mining, and agricultural chemicals.

Johns-Manville Products Corp. produces asphalt roofing and paper products at its Pittsburg plant, employing over 300.

Allied Chemical Corp. employs 135 at Nichols in the production of fine and heavy chemicals.

Louisiana Pacific-Fibreboard operates a pulp and board mill at Antioch employing 450 in the production of Kraft liner, and a corrugated shipping container plant with a payroll of 150. A research facility adjacent to the container plant employs 13 in research on paperboard and packaging.

Crown Zellerbach has four manufacturing plants within the immediate vicinity of Antioch. These plants produce Kraft paper, multiwall paper bags, tissue paper products, and corrugated boxes. The

company constructed and operates a deep-water ship-turning basin for its own use and for the use of other nearby industries. The deep-water dock facilities are utilized in the handling of the large quantities of wood pulp which is the principal raw material used in the manufacture of many of the company's products. Crown Zellerbach employs approximately 900 persons in the District and vicinity.

In 1977 Crown Zellerbach increased the capacity of its Antioch containerboard plant from 160,000 tons to 200,000 tons a year. In 1978 the capacity of the Antioch shipping container mill was increased from 560 million square feet to 730 million square feet annually.

One mile east of Antioch, Domtar Gypsum America, Inc. operates a gypsum wallboard plant and plaster mill formerly owned by Kaiser Gypsum. About 100 persons are employed at this 38-acre site. Raw gypsum is transported from Mexico to the plant by ship and is unloaded at dock facilities on the San Joaquin River. The plant has the capacity to annually produce 250,000 square feet of gypsum board products and 20,000 tons of plaster for the building industry.

Three miles east of Antioch, E. I. duPont de Nemours and Company operates plants engaged in the production of "Freon" refrigerant and aerosol propellant, tetraethyl lead gasoline additive, and titanium dioxide. The latter of these products utilizes ore imported from Australia. The company employs more than 400 people and its buildings occupy 60 acres of a 540-acre site.

The Glass Containers Corporation has a manufacturing plant immediately west of Antioch. Approximately 350 people are employed in the production of many types of glass jars and containers.

Other nationally known firms operating in the Pittsburg area include the Signode Corporation and The Stanley Works. Signode employs 85 at local plants producing strap, seals, nails, and staples. The Stanley Strapping Systems Division employs 36 in the production of steel and non-metallic strapping, powered and manual strapping tools, and strapping machines.

## Transportation

Main line tracks of Southern Pacific and the Santa Fe Railway traverse the District. Portions of the District are also served by the Sacramento Northern Railway, a subsidiary of Western Pacific.

California State Highway 4 bisects the District in an east-west direction. This freeway connects San Francisco-Oakland with Stockton and Central Valley points. East of Antioch it intersects State Highway 160, which runs over the new high-level \$40 million Antioch Bridge to Solano County and Sacramento. To the west, State Highway 4 connects with north-south Interstate 680 and State Highway 24, which feeds into Oakland and the Bay Bridge through the Caldecott Tunnel. Interstate 680 provides access to transcontinental I-80 to the north, and I-580 through Alameda County in the south.

The deepwater channel which connects the District to San Francisco Bay provides excellent water transportation to coastal and worldwide ports. Docking facilities are operated by industrial installations along the San Joaquin River.

Air passenger and freight service is available at Oakland International Airport, 25 miles to the southwest, and at San Francisco International Airport. The privately owned and operated Antioch Airport has facilities for general and private aircraft. Additional charter and air freight service is available at Buchanan Field in Concord, 10 miles west of Pittsburg.

One of the three East Bay branches of the Bay Area Rapid Transit system (BART) terminates in Concord. The system reduces peak-hour travel times from Concord to Oakland and San Francisco to 29 and 40 minutes, respectively. From Oakland, branch lines of the BART System lead to Richmond in western Contra Costa County, and to southern Alameda County.

Greyhound Bus Lines maintain a terminal at Antioch for passenger and freight service. The Alameda-Contra Costa County Transit District extends bus service to Pittsburg and Antioch, as well as feeder service to the Concord BART Station. Tri-Delta Transit is a local bus system serving Pittsburg, Antioch and Brentwood.

## Utilities

Natural gas, electric power, and telephone service are provided throughout the District by Pacific Gas & Electric Company and Pacific Telephone Company.

Two of PG&E's largest steam generating plants are located in proximity to the District. Immediately northwest of the Pittsburg city limits is the company's Pittsburg Power Plant, capable of generating 2,000,000 Kw. A few miles east of Antioch is PG&E's Contra Costa Power Plant, with a generating capacity of 1,260,000 Kw. PG&E also operates a Gas Distribution Center east of Antioch.

## Financial Institutions

Banking services in the District are provided by Bank of America, Central Bank, Crocker National Bank, Delta Pacific Bank, Security National Bank, Security Pacific National Bank, United California Bank, and Wells Fargo Bank. Other financial services are offered by Citizens Savings and Loan Association, Fidelity S&L, Home S&L, Homestead S&L, Imperial S&L, and World S&L.

## Education

Public educational instruction from kindergarten through high school in the District is provided by the Antioch Unified School District and the Pittsburg Unified School District. Portions of the District are also served by the Mt. Diablo Unified School District, which includes West Pittsburg in its boundaries.

The tabulation on page 30 presents enrollment data over the most recent five-year period for the principal school districts serving the District. Moderate growth is evident in the elementary grades as well as the secondary grades.



Year	Antioch Unified School District				Pittsburg Unified School District			
	K-6	7-8	9-12	Total <sup>①</sup>	K-6	7-8	9-12	Total <sup>①</sup>
1974 .....	4,891	1,431	2,565	8,887	3,306	889	1,538	5,733
1975 .....	4,876	1,477	2,688	9,021	3,361	912	1,568	5,841
1976 .....	4,909	1,504	2,766	9,179	3,389	910	1,625	5,924
1977 .....	4,921	1,446	2,779	9,146	3,397	879	1,560	5,836
1978 .....	5,044	1,423	2,814	9,281	3,344	896	1,588	5,828

① Excludes special, continuation, and adult classes.

Source: County Superintendent of Schools.

Public instruction beyond high school is available at Los Medanos College, located on a 110-acre campus in southeastern Pittsburg. A unit of the Contra Costa Community College District, this two-year institution opened in 1974, and now enrolls more than 5,000 full- and part-time students. Enrollments of the three community colleges in Contra Costa County are shown below.

	1976/77	1977/78
Los Medanos College, Pittsburg	5,050	5,236
Contra Costa College, San Pablo	9,126	9,546
Diablo Valley College, Pleasant Hill .....	19,035	20,020
<b>Total .....</b>	<b>33,211</b>	<b>34,802</b>

Source: Contra Costa Community College District.

Degree institutions within convenient driving distance of the District include the Berkeley campus of the University of California, St. Mary's College at Moraga, California State University, Hayward, and Mills College in Oakland.

## Community Facilities and Recreation

Los Medanos Community Hospital is scheduled to open in early 1979 at Pittsburg, replacing the present Pittsburg Community Hospital. This new \$10.1 million facility has 78 beds and facilities for advanced medical care. At Antioch is Delta Memorial Hospital, with 53 beds. District residents are also served by Mount Diablo Hospital Medical Center in Concord.

Branches of the Contra Costa County Public Library System are maintained at Antioch and Pittsburg. Local news coverage is provided by the Antioch Daily Ledger and the daily Pittsburg Post-

Dispatch. San Francisco and Oakland newspapers are available daily throughout the District, which is within broadcast range of San Francisco-Oakland radio and television stations. KKIS Radio broadcasts from Pittsburg.

The Pittsburg Golf Club and the Antioch Municipal Golf Course are open to the public.

The Contra Costa County Fairgrounds have been located in Antioch since 1937. The 76-acre site is owned and operated by the 23rd Agricultural District, a state agency. The grounds are open year-round for art and hobby shows, equestrian events, auto racing, and special community activities.

South of Antioch is the 772-acre Contra Loma Reservoir and Park, operated by the East Bay Regional Park District. Boating, fishing, picnicking, hiking, and aquatic sports attract many local residents to this regional facility. The EBRPD has acquired an additional 2,603 acres south of Contra Loma for the proposed Black Diamond Mines Park.

The mild climate and abundance of natural waterways make the District the center of one of the state's most popular outdoor recreation areas. The immense Delta region formed by the confluence of the Sacramento and San Joaquin Rivers provides more than 1,000 miles of navigable waterways. The many marinas and harbors in the District and the Delta provide launching, berthing, repairs, and fuel for the thousands of boats in use in the region.

The City of Antioch maintains a public boat launching ramp near the downtown area. The newly expanded Pittsburg Marina has 179 covered berths and 306 open berths ranging in size from 20 feet to 40 feet. This modern facility, which has a fuel dock and other amenities, was funded by the State Department of Navigation and Ocean Development, and is operated and maintained by the City of Pittsburg.

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# CITY OF ANTIOCH

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Antioch was first settled in 1850, and received its name a year later. With three miles of water frontage 40 feet deep, Antioch became the furthest inland shipping center for ocean going vessels carrying cargo to and from Central California during Gold Rush days. The city lies in the eastern sector of the District, adjoining Pittsburg. Its nine square miles extend from the San Joaquin River on the north to Contra Loma Regional Park in the south. Like Pittsburg, Antioch is located in the midst of a well-established industrial area.

Antioch is one of the most rapidly growing cities in Contra Costa County, with a present population exceeding 37,000. A large regional shopping center was opened in 1978 in the western part of the city, adjoining Pittsburg. This retail development has attracted a number of supporting outlets and services in the area.

## **Municipal Government**

Antioch was incorporated February 6, 1872, and functions as a general law city under provisions of the state constitution. The City Council consists of four members elected at large for four-year alternating terms. The Mayor is elected at large for a four-year term.

The City adopted the council-manager form of government in 1948. The City Council appoints the City Manager and the City Attorney. The City Clerk and the City Treasurer are elected officials. Antioch is planning a new city hall to be erected on the site of the present building. Financing will be by tax increment bonds.

The City of Antioch adopted a General Plan in April, 1975. Part of the Plan was the recent transformation of an existing downtown Sears department store into a new Community Center, with facilities for all age groups. Features of the Center include a theater seating 190, banquet accommodations for 325 people, and various arts and crafts rooms.

As of July 1, 1975 the City's fire department was consolidated with that of the City of Pittsburg, forming the new Riverview Fire Protection District, which also serves West Pittsburg. Headquartered in north-western Antioch, this fire district operates six centrally located fire stations, has six engine companies, a 75-foot aerial platform, truck company, a rescue truck, and a Fire Prevention Bureau. A staff of 89 is augmented by a 55-man reserve, open to local residents.



## Commerce

Commercial activity throughout Antioch has intensified in recent years as new shopping centers have been developed at locations convenient to the larger subdivisions.

Three new shopping centers near the intersection of State Highway 4 and Somersville Road, in the western part of the city, have businesses totaling more than 700,000 square feet. Largest of these is the County East Mall, with a total floor area of more than 400,000 square feet. The principal tenants here include Sears, Montgomery Ward, J. C. Penney, and Mervyn's department stores, Central Bank, Citizens Savings and Loan, Safeway Stores, Value Giant, and numerous service establishments. Parking for 2,500 cars is provided. Adjacent facilities include a Kaiser hospital and clinic, a banquet center, bowling lanes, and restaurants.

Below is a five-year record of taxable sales in Antioch. Volume topped \$100 million in 1976, and increased over 23 percent the following year. Total

commercial activity is larger than the record indicates, since sales of non-taxable items, principally food for home consumption, are not included. Since 1974, the number of sales outlets in the city has increased by 36 percent.

## Construction

For the five years ending in 1978, Antioch issued 4,780 building permits valued at more than \$113 million. Over 76 percent of this total dollar volume consisted of new residential construction activity. Due to the threat of a sewer moratorium, much of the permit valuation for the five-year period was concentrated in the year 1977, when total valuation for the year exceeded \$59 million.

Residential permits for the 1974-78 period covered 3,567 new living units, of which 2,742 were single family houses. The tabulation at the bottom of this page shows building permit activity in the city by individual years since 1974.

### CITY OF ANTIOCH—Taxable Transactions (Thousands of Dollars)

Year	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1974 .....	269	\$ 77,638	479	\$ 83,435
1975 .....	286	87,910	530	94,773
1976 .....	274	97,781	564	106,178
1977 .....	288	120,184	611	131,287
1978 (9 months) .....	294	94,624	653	103,221

Source: State Board of Equalization.

### CITY OF ANTIOCH—Building Permit Valuation (Thousands of Dollars)

	1974	1975	1976	1977	1978
New Residential .....	\$3,160	\$19,207	\$ 6,925	\$49,966	\$ 7,984
Commercial .....	1,991	1,139	2,075	4,188	4,281
All Other .....	1,149	1,995	2,273	5,239	2,085
Total Value .....	\$6,300	\$22,341	\$11,273	\$59,393	\$14,350
Number of Living Units Added:					
Single .....	126	704	199	1,414	299
Multiple .....	28	138	135	519	5
Total .....	154	842	334	1,933	304

Source: City of Antioch Building Division.

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# CITY OF PITTSBURG

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The City of Pittsburg, situated between Antioch and West Pittsburg, was first settled in 1849. Its previous name was Black Diamond, reflecting its importance as an early-day coal shipping port. During World War II Camp Stoneman (since deactivated) was a major military embarkation point. Pittsburg is an inland point for ocean and coastwise shipping, and has developed into the county's second largest industrial city, after Richmond. City limits cover approximately 11 square miles, embracing Browns Island in the Delta. The city's population exceeds 28,000.

The former Camp Stoneman is being turned into an industrial park, and the site now contains a number of small firms. The city's new multi-million-dollar Marina is the largest and most modern in the county. Los Medanos College, which serves eastern Contra Costa County, is located in Pittsburg.

## **Municipal Government**

Pittsburg was incorporated June 25, 1903 as a general law city. The City Council is composed of five members elected at large for alternating four-year terms at elections held every two years. The Mayor is selected by the City Council from its members. The City Council appoints the City Manager, who administers municipal affairs under policies established by the City Council. There are approximately 200 city employees, including a Police Department manned by 79 full-time and reserve personnel. Fire protection is provided by the River-view Fire District, a joint community agency also serving Antioch and West Pittsburg.

The City's Redevelopment Agency is drawing up a plan to redevelop the northern portion of the downtown area, in the vicinity of the Pittsburg Marina. Construction will be largely residential, with supporting commercial services.



## Commerce

Retail sales activity in Pittsburg is concentrated south of Highway 4, generally in the area bounded by Railroad Avenue, Buchanan Road, and Loveridge Road. Here are found such outlets as Sprouse Reitz Stores, Safeway, Raley's, and various financial, service, and retail outlets.

Taxable transactions in the city exceeded \$56 million in 1977, up nearly 32 percent over 1976. Thirty new outlets reported taxable transactions during the year, with an additional 31 added by mid-1978. Below is a summary of permits and taxable sales in Pittsburg since 1974.

## Construction

During the past five years, Pittsburg building officials have granted building permits valued at

more than \$78 million, of which approximately 87 percent was composed of residential construction.

Of the 2,575 new housing units included in the above building permits, all but 48 were single family homes. The summary below shows building permit valuations in the city for the five-year period.

Building permits currently being processed by the city include Stoneman Estates, a residential development of 70 houses, and the 172-room Motel 6, in addition to various commercial and professional facilities. For the first two months of 1979, 139 building permits valued at \$773,618 were issued, compared with a total valuation of \$193,963 for the same period of 1978. Commercial construction accounted for more than half of the reported permit valuations for the first two months of 1979.

### CITY OF PITTSBURG

#### Taxable Transactions)

#### (Thousands of Dollars)

Year	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1974 .....	159	\$28,933	311	\$32,059
1975 .....	165	31,909	338	35,214
1976 .....	165	37,870	360	42,947
1977 .....	167	50,064	390	56,626
1978 (9 months) .....	164	41,565	421	46,682

Source: State Board of Equalization.

### CITY OF PITTSBURG

#### Building Permit Valuation

#### (Dollars in Thousands)

	1974	1975	1976	1977	1978
Residential .....	\$6,766	\$7,920	\$12,298	\$24,408	\$16,726
Nonresidential .....	2,765	862	684	1,925	3,958
Total .....	\$9,531	\$8,782	\$12,982	\$26,333	\$20,684
Number of Housing Units:					
Single Family .....	262	328	512	870	555
Multi Family .....	12	—	—	12	24
Total .....	274	328	512	882	579

Source: City of Pittsburg and Security Pacific Bank.

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# CONTRA COSTA COUNTY

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Contra Costa County was incorporated in 1850 as one of California's original 27 counties. The name is derived from the Spanish term for "opposite coast". Contra Costa is the state's ninth largest county in population and the ninth smallest in land area, covering 733 square miles of land from the upper reaches of San Francisco Bay eastward to the Delta region formed by the confluence of the Sacramento and San Joaquin Rivers.

In 1900 the Santa Fe Railway established its western terminus at Richmond. The following year, Standard Oil Company built an oil refinery in the same city. These developments marked the transition from an agricultural economy to industrial growth in Contra Costa County. The county's 70-mile waterfront along the northern shoreline has attracted large industrial firms and made Contra Costa County the center of heavy industry in the Bay Area. Located here are major oil refineries, a large steel mill, chemical plants and an extensive complex of light and heavy industry. The extreme eastern part of the county continues as an important agricultural area.

Prior to World War II, the Caldecott Tunnel was bored under the Berkeley Hills to Contra Costa County, permitting residential development in central and eastern Contra Costa County by facilitating traffic to Oakland and San Francisco. Four-lane traffic in the direction of peak flows is made possible

by utilizing two lanes of the middle bore for alternate directions in the morning and evening. The Caldecott tunnel remains the principal highway link between the heavily populated areas of Alameda and Contra Costa Counties.

There are 15 cities in the County. The three largest in terms of population are Concord (99,500), Richmond (69,600), and Walnut Creek (50,100). Martinez, the county seat, has a population of 20,850 and is located in the north central part of the County.

## County Government

Contra Costa is a general law county. A five-member Board of Supervisors is elected by districts which are approximately equal in population. Other elected officers include the Assessor, Auditor-Controller, Treasurer-Tax Collector, Sheriff-Coroner, District Attorney-Public Administrator, and Clerk-Recorder. A County Administrator, appointed by the Board of Supervisors, administers day-to-day county business. The County has approximately 6,000 employees.

## Population

The County's July 1, 1978 population is estimated at 613,400 by the State Department of Finance. The same source projects a population of 667,000 by July 1, 1985.

During the sixties the County's population growth rate was substantially higher than that of the State of California. In the seventies, the County's rate of population growth has moderated, as the County undergoes a transformation from a rapidly growing suburban fringe area to a more stable and mature community. The tabulation below reflects this change.

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### Population Data

Year	Contra Costa County	Percent Change	State of California	Percent Change
1940 .....	100,450	—	6,907,387	—
1950 .....	298,984	197.6%	10,586,223	53.3%
1960 .....	409,030	36.8	15,717,204	48.5
1970 .....	558,389	36.5	19,953,134	27.0
1978 .....	613,400	9.8	22,297,000	11.7

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Source: 1940-70, U.S. Bureau of the Census. July 1, 1978 estimates by State Department of Finance.

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## Industry

In 1977, annual wages of \$440,754,941 were paid to 26,659 industrial workers in Contra Costa County by 490 manufacturing employers, according to payroll withholding reports filed with the State Department of Employment Development.

In addition to medium and heavy industry already discussed, there are major oil refineries and oil storage facilities in north central and western Contra Costa County. About two miles east of Martinez, at Avon, is the petroleum refinery formerly owned by Phillips Petroleum Company. In March 1976 the Phillips refinery, terminal, and bulk plants were purchased by The Oil Shale Corp. (TOSCO) in a \$230 million transaction. The name of Lion Oil Co. is used for the Avon operations.

Shell Oil Company, at its Martinez Manufacturing Complex, operates a large oil refinery and various chemical manufacturing facilities. More than 1,000 persons are employed producing gasoline, diesel fuels, fuel oil, and chemical derivatives of petroleum.

Other large oil refinery activities in the area include those of Union Oil Co. at Oleum, Standard Oil Co. of California at Richmond, Pacific Refining Co. at Hercules (formerly the Gulf refinery), and Exxon Corp. at Benicia, in Solano County.

UCO (formerly Urich Oil Co.) of Los Angeles presently owns an oil terminal in Martinez, and has filed an environmental impact report for construction of a new 10,000 barrel per day petroleum refinery, near the terminal.

## Taxable Transactions

Taxable sales in Contra Costa County now exceed \$2.8 billion annually, a gain of more than \$1 billion

since 1975. The number of outlets reporting taxable sales has increased by over 24 percent during the same period, as shown in the following summary.

### CONTRA COSTA COUNTY

#### Taxable Transactions

Year	No. of Outlets	Taxable Transactions
1973 .....	9,932	\$1,413,873,000
1974 .....	10,426	1,644,650,000
1975 .....	11,235	1,823,174,000
1976 .....	12,275	2,291,756,000
1977 .....	13,684	2,858,557,000
1978 (9 months) ..	14,013	2,168,668,000

Source: State Board of Equalization.

## Agriculture

The County's agricultural complex is well balanced and diversified. Major individual crops are tomatoes, sugar beets, walnuts, milk, cattle and calves, cut flowers, and ornamental trees and shrubs. Gross annual agricultural production values since 1973 are presented in the tabulation below.

Farm production values in 1976 and 1977 fell short of 1974 and 1975 levels due to effects of the 1975/76 drought, early fall rains, and a reduction in sugar prices. However, nursery products gained nearly \$1.5 million in 1976 and \$1.3 million in 1977. Steady annual gains for this major category of farm products in recent years are evident in the accompanying tabulation. Vegetable production values in 1977 rebounded to 1974-75 levels.

### CONTRA COSTA COUNTY

#### Gross Value of Agricultural Production

Commodity	1973	1974	1975	1976	1977
Field Crops .....	\$ 6,815,800	\$11,724,800	\$12,169,000	\$ 7,416,000	\$ 7,895,700
Fruits and Nuts .....	7,407,500	5,988,400	5,775,300	6,203,200	6,214,700
Livestock and Poultry .....	12,473,930	12,730,550	11,606,300	11,300,800	7,442,420
Livestock, Apiary and Poultry Products ..	2,245,606	3,254,964	3,328,650	3,729,720	4,045,370
Nursery Products .....	5,657,000	7,996,000	9,453,800	10,907,200	12,172,700
Vegetable and Seed Crops .....	6,354,150	12,701,200	11,041,600	8,889,500	11,454,000
Total .....	\$40,953,986	\$54,395,914	\$53,374,650	\$48,446,420	\$49,224,890

Source: Contra Costa County Department of Agriculture.

# DISTRICT FINANCIAL DATA

## Assessed Valuation

The assessed valuation of Contra Costa County Sanitation District 7A is established by the Contra Costa County Assessor, except for utility property which is assessed by the State Board of Equalization. The State Board of Equalization reported that Contra Costa County assessed valuations for the 1977/78 fiscal year averaged 24.4 percent of full cash value. Utility property is reported to be assessed at 25% of full cash value. County assessment ratios are not available for 1978/79.

District taxes are levied against the assessed valuation of land and improvements only before exemptions. Table 6 shows the assessed valuation of the District for the 1978/79 fiscal year. Improvement District No. 1 forms part of Zones 1 and 2.

The tabulation above and to the right shows the growth which has occurred in the District's assessed valuation (land and improvements only) over the past eight years. Annexations of the Cities of Pittsburg and Antioch to the District in 1976/77 account for the sharply increased assessed valuations in 1977/78.

As reported by the Contra Costa County Auditor-Controller, Table 7 on page 38 shows the 1978/79 assessed valuation of all property (land, improve-

## COUNTY SANITATION DISTRICT 7A Growth in Assessed Valuation (Land and Improvements Only)

Fiscal Year	
1971/72	\$ 11,389,990
1972/73	11,901,386
1973/74	14,355,640
1974/75	17,616,819
1975/76	18,795,135
1976/77	19,412,260
1977/78	212,762,844
1978/79	275,419,927

Source: County Auditor-Controller.

ments and personal property) located within the District. These valuations reflect two types of exemptions (\$1,750 of the assessed valuation of an owner occupied dwelling and 50 percent of the assessed valuation of business inventories) which do not result in any loss of revenues to local taxing agencies since an amount equal to the taxes which would have been payable on such exempt valuations is reimbursed by the State.

## Constitutional Amendment (Proposition 13)

At the June 6, 1978 election, California voters approved Proposition 13, the Jarvis-Gann Constitutional Initiative. The California Supreme Court upheld the constitutionality of Proposition 13 in a ruling on September 22, 1978. The text of Proposition 13, now Article XIII A of the California Constitution, as follows:

**Table 6**  
**COUNTY SANITATION DISTRICT 7A**  
**1978/79 Assessed Valuation (Land and Improvements Only)**

Tax Roll	Zone 1	Zone 2	Zone 3	Total District	I. D. No. 1
Local Secured	\$27,025,805	\$ 95,343,820	\$135,381,978	\$257,751,603	\$27,611,800
Utility	2,062,580	4,870,340	5,979,240	12,912,160	1,919,060
Unsecured	219,754	2,530,264	2,006,146	4,756,164	160,479
Total	\$29,308,139	\$102,744,424	\$143,367,364	\$275,419,927	\$29,691,339

Source: County Auditor-Controller.



**Table 7****COUNTY SANITATION DISTRICT 7A****1978/79 Assessed Valuation of all Property Within District**

	Assessed Valuation for Revenue Purposes	Homeowners and Business Inventory Exemptions	Net Assessed Valuation
Secured .....	\$263,704,409	\$32,050,886	\$231,653,523
Utility .....	13,120,660	—	13,120,660
Unsecured .....	18,470,233	4,047,432	14,422,801
Total .....	\$295,295,302	\$36,098,318	\$259,196,984

Source: County Auditor-Controller.

**“Section 1.**

(a) The maximum amount of any ad valorem tax on real property shall not exceed one percent (1%) of the full cash value of such property. The one percent (1%) tax is to be collected by the counties and apportioned according to law to the districts within the counties.

(b) The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any indebtedness approved by the voters prior to the time this section becomes effective.

**Section 2.**

(a) The full cash value means the County assessors' valuation of real property as shown on the 1975-76 tax bill under “full cash value”, or thereafter, the approved value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. All real property not already assessed up to the 1975-76 tax levels may be reassessed to reflect that valuation.

(b) The fair market value base may reflect from year to year the inflationary rate not to exceed two percent (2%) for any given year or reduction as shown in the consumer price index or comparable data for the area under taxing jurisdiction.

**Section 3.**

From and after the effective date of this article, any changes in State taxes enacted for the purpose

of increasing revenues collected pursuant thereto whether by increased rates or changes in methods of computation must be imposed by an Act passed by not less than two-thirds of all members elected to each of the two houses of the legislature, except that no new ad valorem taxes on real property or sales or transaction taxes on the sales of real property may be imposed.

**Section 4.**

Cities, counties and special districts, by a two-thirds vote of the qualified electors of such district may impose special taxes on such district, except ad valorem taxes on real property or a transaction tax or sales tax on the sale of real property within such city, county or special district.

**Section 5.**

This article shall take effect for the tax year beginning on July 1 following the passage of this Amendment, except Section 3 which shall become effective upon the passage of this article.

**Section 6.**

If any action, part, clause or phrase hereof is for any reason held to be invalid or unconstitutional, the remaining sections shall not be affected but will remain in full force and effect.”

**Tax Rates**

Section 1(a), Article XIII A of the California Constitution (Proposition 13), limits any ad valorem tax on real property to one percent of full value of such property; however, this limitation is not applicable to ad valorem taxes or special assessments

to pay the interest and redemption charges on any indebtedness approved by voters prior to July 1, 1978, the effective date of Article XIII A.

The basic tax rate for all taxing entities within a particular tax code area is \$4 per \$100 assessed valuation levied by the county, in accordance with Proposition 13. To this may be added tax rates which are necessary to meet debt service on bond issues approved by the voters prior to July 1, 1978.

In 1977/78 the District levied property taxes for 1979 Project purposes at the following rates per \$100 assessed valuation within its three zones: Zone 1 (West Pittsburg) @ \$1.207; Zone 2 (Pittsburg) @ \$1.080; and Zone 3 (Antioch) @ \$0.952.

Within Improvement District No. 1, the 1977/78 tax rates for bond service levied in 1977/78 and 1978/79 were \$0.106 and \$0.079 per \$100 assessed valuation.

A history of the District's tax rates for the five years prior to the Annexations of Zone 2 (Pittsburg)

and Zone 3 (Antioch) is shown in the tabulation below.

Tax Year	County Sanitation District 7A	Improvement District No. 1
1972/73 .....	\$1.207	\$0.053
1973/74 .....	1.207	0.182
1974/75 .....	1.000	0.110
1975/76 .....	1.000	0.100
1976/77 .....	1.207	0.104

Source: County Auditor-Controller.

There are 37 tax code areas in the District. In 1978/79, total tax rates in these various code areas range from \$4.702 to \$5.549 per \$100 assessed valuation. The largest code area in assessed valuation is 7013 (1978/79 assessed valuation \$90,830,406). All tax rate components in this code area for the past five years are presented in Table 8.

**Table 8**

**TAX RATE AREA 7013**

**Tax Rates**

Tax Agency	1974/75	1975/76	1976/77	1977/78	1978/79
Contra Costa County .....	\$ 2.752	\$ 2.827	\$ 2.719	\$ 2.495	\$4.000
City of Pittsburg .....	2.985	2.135	2.435	2.555	.220
Riverview Fire District .....		.666	.650	.648	
Flood Control .....	.020	.020	.020	.020	
County Water Agency .....	.017	.004	.004	.004	
Mosquito Abatement .....	.025	.019	.017	.016	
Los Medanos Hospital .....	.200	.200	.500	.513	.256
Contra Costa Water .....	.059	.071	.110	.065	
Bay Area Rapid Transit .....	.512	.447	.478	.428	.356
Bay Area Air Pollution Control District .....	.016	.015	.015	.015	
East Bay Regional Park District .....	.194	.198	.219	.203	
Pittsburg Unified School District .....	5.141	4.666	4.515	4.331	.154
Community College District .....	.805	.727	.720	.708	
Other Education .....	.213	.247	.249	.280	
Total Base Rate .....	\$12.939	\$12.242	\$12.651	\$12.281	\$4.986

**Land and Improvements Only:**

Sanitation District 7A, Zone 2 .....	1.080
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**Land Only:**

Contra Costa County Resource Conservation District .....	.009	.007	.003	.009	
Contra Costa County Water District .....			.120	.120	.095
Total, All Rates .....	\$12.948	\$12.249	\$12.774	\$13.490	\$5.081

Source: County Auditor-Controller.



## Tax Levies and Delinquencies

Contra Costa County operates under provisions of Revenue and Taxation Code Sections 4701-4716 by which taxing entities in the county may receive their total secured tax levies regardless of actual payments and delinquencies. The county establishes a delinquency reserve and assumes responsibility for all secured delinquencies. Because of this method of tax collection, Sanitation District 7A is assured of 100% collection of its annual tax levy.

During the most recent five-year period, the annual rate of secured tax delinquency in Sanitation District 7A has averaged 1.84 percent. A history of secured tax collections since 1973/74, and the entire Contra Costa County tax levies with delinquencies and guarantee fund balances for the same period are shown in the two following tabulations, as reported annually by the County Auditor.

### COUNTY SANITATION DISTRICT 7A Secured Tax Levies and Delinquencies

Fiscal Year	Secured Tax Levy	Amount Delinquent June 30	Percent Delinquent June 30
1973/74 ..	\$ 179,685	\$ 2,020	1.12%
1974/75 ..	174,044	2,936	1.69
1975/76 ..	186,230	4,535	2.44
1976/77 ..	231,688	5,342	2.31
1977/78 ..	2,153,493	35,006	1.63

### Largest Taxpayers

The tabulation of the District's largest taxpayers is shown on page 41. The largest taxpayer in the

District is U.S. Steel Corporation, with a 1978/79 assessed valuation in excess of \$8 million. This firm's American Bridge property is presently available for sale or lease, as noted elsewhere in this Official Statement. Continental Group, Inc., the District's second largest taxpayer, represents properties generally known as Continental Can Company.

## District Records

The District's financial statements are presented on the accrual basis of accounting and in conformity with the Uniform Accounting Systems for Special Districts issued by the State Controller, State of California.

Accounts and records of the Shore Acres Treatment Plant (Located in Zone 1), which is operated by the County's Public Works Department under contract to the District, are kept by the County Public Works Department. The Public Works Department also maintains records of costs incurred under the Step I (Pre-Design) and Step II (Design) Grants for the new subregional facilities and processes the claims under these grants. Accounts and records of costs incurred under the Step III (Construction) Grants are maintained by District 7A personnel. District obligations are approved by the District Manager/Engineer and paid through the County Auditor-Controller accounts payable system. County Public Works charges are paid via journal voucher and are not specifically approved. However, the District Board does budget for Public Works charges and therefore sets a limit to them.

## CONTRA COSTA COUNTY

### Tax Levies, Collections, and Guarantee Fund Balances

Fiscal Year	Total Secured Tax Levy	Amount Delinquent June 30	Percent Delinquent June 30	Guarantee Fund Cash Balance June 30
1973/74 .....	\$239,381,720	\$3,749,301	1.56%	\$ 6,692,028
1974/75 .....	261,860,435	5,283,952	2.01	7,515,195
1975/76 .....	290,128,126	5,120,237	1.76	8,612,344
1976/77 .....	331,632,809	4,728,220	1.43	10,073,672
1977/78 .....	373,950,185	5,943,840	1.59	11,614,986

## COUNTY SANITATION DISTRICT 7A

### Largest Taxpayers 1978/79

Name of Taxpayer	Business	1978/79 Assessed Valuation
U. S. Steel Corp. ....	Manufacturer	\$5,051,735
The Continental Group, Inc. ....	Manufacturer	4,570,920
American Bridge (Div. U. S. Steel) ....	Manufacturer	3,181,690
Johns-Manville ....	Manufacturer	3,082,690
Glass Containers Corp. ....	Manufacturer	2,747,863
Hexalon Real Estate, Inc. ....	Developer	2,044,953
Triangle PWC, Inc. ....	Manufacturer	1,835,700

Source: Contra Costa County Auditor-Controller.

### District Funds

Prior to July 1, 1977, the accounts of the newly formed district were commingled with those of the superseded County Sanitation District 7A. Starting July 1, 1977, District financial operations are accounted for in the following funds:

#### *Sanitation District 7A, Zone 1*

This fund is used to account for the revenues and expenses of District Zone 1 (West Pittsburg area) including operation of the existing Shore Acres Treatment Plant.

#### *Sanitation District 7A, Zone 2*

This fund is used to account for revenues from District Zone 2 (City of Pittsburg area).

#### *Sanitation District 7A, Zone 3*

This fund is used to account for revenues from District Zone 3 (City of Antioch area).

#### *Sanitation District 7A, Capital Outlay*

This fund is used to account for the costs and revenues related to the design and construction of the new subregional facilities and the administrative costs of the District.

### Fund Balances

Following is a statement of District Fund balances as of June 30, 1977 and June 30, 1978, as reported by the County Auditor-Controller.

#### COUNTY SANITATION DISTRICT 7A Statement of Changes in Available Balances Fiscal Year Ended June 30, 1978

Available balance, July 1, 1977 . . . .	\$ 432,635
Add: Net income, Fiscal Year Ended June 30, 1978 (Page 4, Exhibit B) . . . . .	3,948,374
Less: Net increase in Investment in Fixed Assets . . . . .	(2,415,404)
Available balance, June 30, 1978 . . .	<u>\$1,965,604</u>



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**COUNTY SANITATION DISTRICT 7A****Combined Balance Sheet****June 30, 1978**

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**ASSETS AND OTHER DEBITS**

## Current Assets

Deposits with County Treasurer .....		\$1,628,917	
Petty Cash .....		300	
Deposits with State Compensation Insurance Fund .....		250	
Prepaid Insurance .....		177	
Accounts Receivable .....		6,636	
Grants Receivable .....	\$1,867,844		
Less: Allowance for Doubtful Accounts① .....	(102,601)	1,765,243	\$3,401,523

## Property, Plant and Equipment②

Land and Easements .....	62,732		
Sewage Collection and Treatment Facilities .....	1,251,872		
Equipment .....	14,894		
Less: Accumulated Depreciation .....	(1,105,881)	223,617	
Construction in Progress③ .....		2,631,633	2,855,250
<b>TOTAL .....</b>			<b><u>\$6,256,773</u></b>

**LIABILITIES AND OTHER CREDITS**

## Current Liabilities

Accounts Payable .....	\$ 61,468		
Contracts Payable .....		1,218,563	
Contract Retentions Payable .....		155,887	\$1,435,918

Investment in Fixed Assets ..... 2,855,250

Fund Balances ..... 1,965,605**TOTAL .....** **\$6,256,773**

① Grants receivable consist of \$1,867,844 in costs that had been claimed or were claimable from the Federal and State Governments as of June 30, 1978. Of this amount, \$102,601 in claimed or claimable administrative costs have been or are anticipated to be disallowed. It is anticipated that these costs may be allowed when the final audit is performed by the Environmental Protection Agency. Therefore, an allowance for doubtful accounts was set up rather than writing off the receivable.

② Property, Plant and Equipment includes unaudited balances of \$1,284,940 acquired prior to July 1, 1977. Accumulated depreciation on those balances is an estimated figure based on the following assumptions:

Sewage Collection and Treatment Facilities—25 year life, 21 years depreciated at July 1, 1977. The number of years of depreciation is based on the assumption that the Shore Acres Treatment Plant will be abandoned when the new subregional facilities are completed.

Equipment—10 year life, 9½ years depreciated at July 1, 1977 based on the average age of the equipment.

③ The Construction in Progress account includes only the actual design and construction costs of the new subregional facility. Administrative expenses connected with the project were charged as operating expenses of the period.

Source: Contra Costa County Auditor-Controller.

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## Revenues and Expenditures

Table 9 shows a summary of District revenues and expenditures for the five year period 1973/74 through 1977/78. Prior to 1977/78, the District

consisted of only what is now Zone 1 (West Pittsburg). Revenues and expenditures in 1977/78 reflect for the first time taxes and assessments levied and collected within the District's three zones for 1979 Project purposes.

**Table 9**

### COUNTY SANITATION DISTRICT 7A

#### Summary of Revenues and Expenditures

1973/74-1977/78

	1973/74	1974/75	1975/76	1976/77	1977/78
<b>Revenues</b>					
Fees and service charges .....	\$ 21,671	\$ 2,949	\$ 10,490	\$ 4,678	\$ 18,987
Taxes and assessments .....	201,849	193,098	204,770	250,217	2,156,511
Interest .....	18,712	18,450	11,893	13,441	—
From other Government Agencies—Federal ..				239,571	1,855,904
From other Government Agencies—State ....				38,271	311,025
Other .....	29,800 <sup>①</sup>	5,495	11,634	2,693	16,366
Total .....	\$272,032	\$219,992	\$238,787	\$548,871	\$4,358,793
<b>Expenditures</b>					
Administrative and general .....	\$109,329	\$130,408	\$154,185	\$172,049	\$ 298,301
Debt service .....	7,759	6,897	6,077	5,257	9,222
Other .....	750		10,288	276	102,896 <sup>②</sup>
Total .....	\$117,838	\$137,305	\$170,550	\$177,582	\$ 410,419
Excess of Revenues over Expenditures .....	\$154,194	\$ 82,687	\$ 68,237	\$371,289	\$3,948,374

① Includes charges of \$29,163 in connection with Bella Vista annexation.

② Includes \$102,601 Uncollectible Accounts, subject to EPA audit. See Footnote 1 of Balance Sheet.

Sources: 1973/74-1976/77, State Controller's "Annual Report of Financial Transactions of Special Districts."  
1977/78, Contra Costa County Auditor-Controller, report dated February 27, 1979.

## Insurance Coverage

The District's insurance coverage as of June 30, 1978 was as follows:

- Shore Acres Treatment Plant carried on the County policy:
 

Building .....	\$132,569
Equipment .....	35,652
\$2,500 deductible	
- Carried by District:
 

Comprehensive General Liability	
Combined Bodily Injury .....	\$500,000 aggregate
Property Damage .....	\$500,000 each occurrence
Employer's Non-Ownership Automobile Liability	
Combined Bodily Injury and Property Damage .....	\$500,000 each occurrence
Business Personal Property	
Office Contents .....	\$ 2,000
Workmen's Compensation Insurance .....	\$ 100 deductible



## Debt Statement

Table 10 shows a statement of the District's estimated overlapping bonded debt as of April 24, 1979. The District does not have any direct bonded debt.

**Table 10**

### COUNTY SANITATION DISTRICT NO. 7A

#### Statement of Direct and Estimated Overlapping Bonded Debt<sup>①</sup>

Estimated Population .....	78,000	
1978/79 Assessed Valuation .....	\$ 295,295,302 <sup>②</sup>	
Estimated Real Value .....	\$1,181,000,000 <sup>③</sup>	

Public Entity	Percent Applicable	Estimated Debt Applicable April 24, 1979
Contra Costa County Juvenile Facilities Corporation .....	8.210%	\$ 162,148
Bay Area Rapid Transit District .....	2.261	15,947,398
Bay Area Pollution Control Authority .....	1.304	15,922
Los Medanos Community Hospital District .....	48.877	6,158,502
Contra Costa Community College Education Center Authority .....	8.214	196,315
Antioch Unified School District .....	55.255	2,900,888
Mt. Diablo Unified School District .....	2.577	347,044
Pittsburg Unified School District .....	48.088	865,584
City of Antioch .....	99.650	443,443
City of Pittsburg .....	100.	1,225,000
City of Pittsburg Parking District No. 1 .....	100.	82,000
City of Pittsburg 1915 Act Bonds .....	100.	6,006,000
Contra Costa County Sanitation District No. 7A .....	100.	— <sup>④</sup>
Contra Costa County Sanitation District No. 7A—I. D. No. 1 .....	100.	68,000
<b>TOTAL DIRECT AND OVERLAPPING BONDED DEBT .....</b>		<b>\$34,418,244<sup>⑤</sup></b>

	Ratio to 1978/79		Per Capita
	Assessed Valuation	Estimated Real Value	
Assessed Valuation .....	—%	—%	\$3,786
Direct Debt .....	—	—	—
Estimated Direct and Overlapping Debt .....	11.66	2.91	\$ 441

① Compiled in cooperation with California Municipal Statistics, Inc.

② Based on the assessed valuation of all property.

③ Assumes assessed valuation is equal to 25 percent of market value.

④ Excludes \$9,200,000 of Sewer Revenue Bonds, Series A to be sold April 24, 1979.

⑤ Excludes share of estimated \$8,730,459 of Contra Costa County lease purchase obligations (\$716,771).

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